



USDA Foreign Agricultural Service

# GAIN Report

Global Agriculture Information Network

Template Version 2.09

Required Report - public distribution

**Date:** 3/1/2008

**GAIN Report Number:** CH8010

## China, Peoples Republic of

## Oilseeds and Products

## Annual: Part 1 of 2 - Analysis

## 2008

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**Report Highlights:**

Total MY08/09 oilseed production is forecast at 57.2 million metric tons (MMT) based on a planted area of 28 million hectares (MHa), up five and four percent, respectively, over MY07/08. Soybean planted area is forecast to rebound to 9.3 MHA in MY08/09 with production returning to 16 MMT on average yields. While rapeseed planted area is forecast to rise by almost eight percent, severe winter storms in central and southern growing areas will lead to increased abandoned crop area and decreased yields. China's imports of soybeans in MY08/09 are forecast to rise to 36 MMT from the estimated 35 MMT in MY07/08.

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Includes PSD Changes: Yes  
Includes Trade Matrix: Yes  
Annual Report  
Beijing [CH1]  
[CH]

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## Executive Summary

Total MY08/09 oilseed production is forecast at 57.2 MMT from a planted area of 28 million hectares (MHa), up five percent and four percent, respectively, over MY07/08. Planting of the major oilseeds is expected to increase as farmers respond to higher domestic prices and increased government support programs. Soybean planted area is forecast to rebound to 9.3 MHa in MY08/09 with production returning to 16 MMT with average yields. While rapeseed planted area is forecast to rise by almost eight percent, severe winter storms in central and southern growing areas will lead to increased abandoned crop area and decreased yields. However, actual damage to the rapeseed crop seems lower than initial post-storm reports and total production will be slightly higher than drought affected MY07/08. China's imports of soybeans in MY08/09 are forecast to rise to 36 MMT from the estimated 35 MMT in MY07/08. China's oilseed demand in MY08/09 is forecast to continue growing due to increases in animal production, use of industrially produced animal feeds, and higher human consumption.

The second part of this report, GAIN CH8011, contains detailed trade tables.

## Oilseeds Situation and Outlook

### Total Oilseeds

MY08/09 total oilseed production is forecast at 57.2 MMT from a planted area of 28 million hectares (MHa), up five percent and four percent, respectively, over MY07/08. Soybean and rapeseed planted area is forecast to increase in response to higher prices and the Government of China's (GOC) expanded subsidies to oilseed crops in calendar year 2007. Rapeseed yield is likely to fall as a result of the serious winter storm that occurred in the Yangtze River region in January and February 2008.

Despite some new initiatives by GOC to rejuvenate oilseeds production, the existing "grain security/self sufficiency" policy continues to prevail and the availability of arable land impedes significant expansion of oilseeds planted area. Competition for land from other crops (grain crops, cotton, and vegetables) and rapid urban expansion limits increases in total oilseeds planted area. Yield gains for oilseeds continue to be hindered by poor agronomic practices, poor technology, and inadequate farmer inputs. Despite the recent bumper cottonseed crop, total domestic oilseeds available for crushing are slowly declining because of increasing food-use of Chinese oilseeds and stagnant domestic production. The gap between domestic supply and demand will continue to grow and imports will also increase to meet domestic consumption requirements. MY08/09 oilseed imports (mainly soybeans) are forecast to grow by three percent, to 36 million metric tons (MMT).

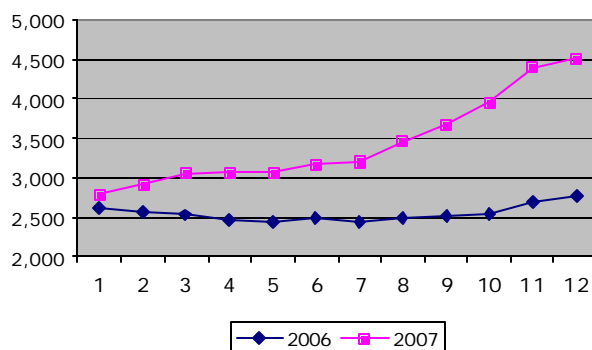
### Soybeans

#### Production

Soybean production for MY08/09 is forecast to increase to 16 MMT from the previous year's estimated 14 MMT. Total soybean planted area in MY08/09 is forecast at 9.3 MHa, up seven percent from the estimated 8.7 MHa in MY07/08. The smaller than normal production in MY07/08 was mainly because of the planted area decline in Heilongjiang and Inner Mongolia provinces as farmers reacted to disappointing returns versus competing crops. Another factor attributing to reduced production is a serious drought that hit the crop in the growing season in Northeast China. According to China's National Grain and Oils Information Center (CNGOIC), soybean planted area fell to an estimated 8.5 MHa in MY07/08 from the 9.1 MHa in the previous year. The MY07/08 average yield in Heilongjiang fell below 1.5 MMT/Ha from

the normal yield of 1.7 MT/Ha. The wholesale price for soybeans remained lower, ranging from RMB 2,400/MT to RMB 3,000/MT from the beginning of 2006 through the soybean sowing months of 2007 (see Chart 1; Exchange rate: RMB7.1=\$1.0). Only after soybean sowing did prices rise, thus the impact at planting was not felt. While the wholesale prices for corn increased from December 2006 and remained high in the first quarter of 2007. In comparison, the wholesale price for corn in Jilin province from December 2006 to May 2007 when the crops were planted increased by more than 22 percent as compared to the beginning of 2006 (see Chart 2).

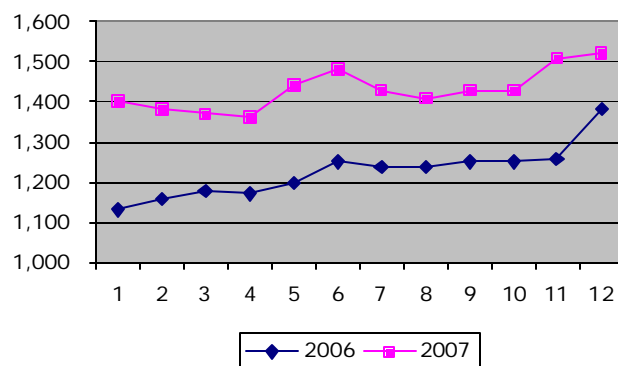
Chart 1. Soybean Monthly Average Wholesale Prices in 2006-2007 (RMB/MT)



Source: China National Grains & Oils Information Center, Beijing

In the 2007 Statistics Book on Production Costs and Profits for Agricultural Products, China's National Development and Reform Commission (NDRC) reported that the profit received from corn and rice by farmers in Heilongjiang stood at US\$358/Ha and US\$610/Ha, respectively in 2006. The profit from soybeans was only US\$92/Ha. Thus, farmers in Heilongjiang province who had planting options abandoned soybean planting and shifted to more profitable corn and rice in 2007. Soybean planted area also declined in other major producing provinces including Jilin, Henan, Shandong, and Inner Mongolia provinces in response to the lower profit received by farmers. A large crusher in Heilongjiang province reported about 11 percent less soybeans purchased as of the end of January 2008 as compared with the previous year.

Chart 2. Wholesale Corn Price in Jilin in 2006-2007 (RMB/MT)



Source: China National Grains & Oils Information Center, Beijing

As indicated in Chart 1, soybean prices began to increase in mid-2007 in response to the global price surge for grain and oilseeds. At the end of 2007, CNGOIC reported that wholesale prices for soybeans, soybean meal and oil soared by 62, 70 and 45 percent, respectively from January 2007 (see table 22-27). For corn, the price rise was less than nine percent. Heilongjiang rice maintained a falling trend through 2007 with December price down by nine percent over January 2007, and 15 percent if compared with the price in January 2006. Based on National Statistics Bureau's (NSB) Heilongjiang Rural Survey report, rice was still the most profitable crop in 2007 at \$744/Ha. In Heilongjiang, profit was \$470/Ha and \$413/Ha for soybeans and corn, respectively. It should be noted, however, that this was based on a lower than normal soybean yield as a result of drought recorded in 2007. If an average yield could be achieved, the profit for soybeans would have reached about \$540/Ha. Although farmers are yet to make decisions for the 2008 crop, the current price trends among competitive crops is very likely to boost soybean area. Additionally, GOC's expanded subsidy coverage to soybeans is also expected to increase soybean planting (see Policy section). Industry sources also forecast a strong recovery of soybeans in Heilongjiang, while the area in other major producing provinces is likely to reach the 2006 level.

It is also worth mentioning that soybean production data vary among different official sources. Based on Heilongjiang Provincial Rural Survey Statistics, the MY07/08 soybean planted area was 3.5 MHa, down 400,000 Ha over MY06/07. However, China's Ministry of Agriculture (MOA) reported soybean planted area in MY06/07 was 3.4 MHa, showing a 500,000 Ha difference in planted area.

Soybean yield for MY08/09 is likely to return to an average level. The below average yield in MY07/08 was mainly a result of abnormal weather in Northeast China. In Heilongjiang, the average temperature from June to August 2007 was 1.5 degrees centigrade higher and the rainfall 40 percent lower than the historical average. The drought hit plants had one third fewer pods than average. Relatively low yield and small-scale plantings continue to be a challenge for soybean farmers' competitiveness. China's average soybean yields ranged from 1.65 to 1.8 MT/Ha from 2003 to 2007, as compared with an average of 2.7 MT/Ha in the United States. The Chinese average yield in 2007 is estimated slightly higher than 1.6 MT/Ha.

## Trade

Soybean imports for MY08/09 are forecast at 36 MMT, up three percent from the estimated 35 MMT for MY07/08. China's animal husbandry sector experienced setback in 2007 as a result of reduced stocks because of low profits received by farmers since 2006. The outbreak of animal diseases further hit the sector reducing soybean meal demand. However, because the swine sector began to recover in late 2007 in response to the price surge for pork and GOC's policy favoring swine production, soybean meal consumption is expected to pick up in 2008.

As reported in GAIN7015, China's soybean demand continues to be driven mainly by GDP growth and the resultant demand for animal proteins and vegetable oil. Many industry sources expect that soybean demand will remain strong in the foreseeable future because of the strong and growing demand for protein meal by the rapidly developing animal husbandry industry (including aquaculture). According to industry sources, China's total industrialized feed production increased five percent to 82 MMT in the first three quarters of 2007. Strong growth in poultry feed plus a stable growth of aquatic and ruminant feed were the main drivers in industrial feed growth. Swine feed production also grew, though it was slowed by reduced stocks and the outbreak of epidemic diseases (blue ear disease and foot and mouth disease). Total feed production growth in 2007 is estimated at five percent and a similar growth is likely in 2008. This is also in line with MOA's "Five-Year (2006-2010) Plan on

Development of Feed Industry" (the 11<sup>th</sup> Five-Year plan), which set the target for feed production at 131 MMT in 2010 with annual average growth rate of 4.5 percent. According to MOA, the growth rate for industrialized feed production averaged 8 percent from 2001 to 2005.

The United States will face a challenge from Brazil to retain as the mantle of the largest soybean supplier to China in MY08/09. The increasing use of soybeans for bio-diesel, together with lower production in the US is expected to give more market share to South American countries in MY08/09. The continued, slow appreciation of the Chinese currency continued (\$1=RMB7.8 in Mar 2007 to currently \$1=RMB7.1) will also facilitate import increases from the U.S. and negate some of the price rise in dollar terms.

#### China's Soybean Imports by Origin (in MT) from MY04/05 to MY06/07

| Country              | MY04/05           |            | MY05/06          |            | MY06/07           |            |
|----------------------|-------------------|------------|------------------|------------|-------------------|------------|
|                      | MT                | Share      | MT               | Share      | MT                | Share      |
| <b>United States</b> | <b>11,873,208</b> | <b>46%</b> | <b>9,708,487</b> | <b>34%</b> | <b>11,505,326</b> | <b>40%</b> |
| Brazil               | 6,700,504         | 26%        | 11,744,287       | 41%        | 10,707,052        | 37%        |
| Argentina            | 7,100,842         | 28%        | 6,430,724        | 23%        | 6,161,471         | 21%        |
| Uruguay              | 114,066           | 0%         | 420,952          | 1%         | 337,375           | 1%         |
| Other                | 13,306            | 0%         | 12,633           | 0%         | 876               | 0          |
| Total                | 25,801,926        | 100%       | 28,317,083       | 100%       | 28,725,869        | 100%       |

Source: World Trade Atlas

China's soybean exports are forecast at 400,000 MT in MY08/09. Exports are likely to decline mainly because of strong domestic demand for food soybeans. In addition, in an effort to maintain stable supply, the GOC eliminated the export tax rebate for soybeans at the end of 2007 and began to levy a five percent export duty in 2008.

#### Importance of Containerized Soybeans Grows

Beginning in late 2007, growth in exports of U.S. soybeans to China in shipping containers has been explosive. From September 2006 to August 2007, approximately 35,500 MT were exported in 39 lots/contracts. However, from September 2007 to early February 2008, containerized soy exports were almost 205,000 MT from 315 lots/contracts. During that time period, containerized soy's percent of U.S. exports increased from 0.3 percent to 2.6 percent of total trade.

While still rather small compared to total soybean exports, increases in containerized shipment trade provide insights into trends in China and has a greater than expected impact. First, it shows the eagerness of the shipping industry to work with non-traditional exporters to fill some of the many empty containers that return to China from the United States. Second, the Chinese buyers are a mix of large and small operators, which shows the dependence of smaller crushers farther inland and integrated livestock operations on imported soy and their willingness to become direct importers when smaller volumes can be transported more easily.

However, from the Chinese government side, containerized soybeans are not without problems. First, the number of Chinese ports handling containers far exceeds those specializing in grain or soybean trade. This means that China's quarantine service is stretched in inspecting cargoes coming into ports where they previously did not unload. China's insistence on conducting a quarantine check on all containers is expensive and time consuming and exacerbates the resource strain. The import paperwork can also be different because the containers from one contract may be on different boats, which causes some

confusion. Second, Chinese officials have claimed that the quality of containerized shipments is uneven due to difficulties in grading the cargo and the frequency of stoppages in hot and humid tropical ports prior to final destination.

Similarly, U.S. exporters have also complained that certain Chinese practices unnecessarily limit this growing trade. First, companies feel that the mandatory quarantine check of every container is unnecessary and increases costs and delays. Second, importers complain that informal policy requires that only one quarantine import permit (QIP) may be valid at a given time for an exporter. Thus, importers can have only one contract outstanding with a single U.S. exporter for one destination at a one time. Given the size of China, importers feel this limits their ability to sell containers in the various regional markets simultaneously.

The growth in the container trade is not without some controversy in the general trade. Some speculate that the quality and quarantine trouble experienced in some ports now handling containerized soybeans will embolden Chinese quarantine authorities to step up inspection of bulk shipments. They say this is problematic because significant differences remain between Chinese quality and quarantine procedures and other major importer/exporters. Some in the industry also speculate that crushers outside the competitive central and south China markets encourage the government to limit the container trade because it challenges the markets that are currently farther away from the large coastal crushing capacity and are captured by domestically sourced feeds.

Regardless of the growing pains of this new trade, it seems likely to increase in importance. However, the concerns of both sides regarding its impact on Chinese quarantine inspection capacity and sampling/testing methodologies must be resolved before they become significant impediments.

## Policy

In 2007, the GOC initiated new plan to boost domestic oilseeds production, including soybeans, rapeseed, and peanuts. According to MOA, the soybean area receiving seed/machinery subsidies (\$20-30/Ha) expanded to 2.7 MHa in MY08/09 from the 670,000 Ha in MY07/08.

As mentioned above, domestic soybean planted area shrank in MY05/06 and MY06/07 mainly because of lower profits received versus competing grain crops. On September 19, 2007, the Chinese Premier chaired a meeting on promoting domestic oilseeds and dairy production where the following measures on developing oilseed production were presented:

1. Increase oilseeds planted area in major producing-regions. In the Yangtze River region, farmers will be encouraged to use idle winter land to plant more rapeseed. In the Northeast and the Yellow River, Huai River and Hai River regions, increase soybean area through more rotation, though caution should be paid to yields to avoid competition for land with grain and cotton crops.
2. Increase agriculture inputs. Continue to provide soybean seed subsidy in the Northeast and Inner Mongolia and increase the subsidized area to 40 million Mu (2.67 MHA) from the current 10 million Mu. Starting in 2007, rapeseed production in the advantageous regions in the Yangtze River region received a seed subsidy of RMB10/Mu (or US\$21/Ha) from the central government.
3. Implement a trial oilseed crop insurance program and phase in a rapeseed insurance premium subsidy.
4. Enhance the building of oilseed production bases and analysis of the potential for incentive measures for large oilseed and grain producing counties.



5. Enhance oilseed research, popularize new varieties and encourage mechanization.
6. Establish a national soybean and vegetable oil reserve, a futures market, and a production/marketing "early warning" system. Strictly control the conversion of rapeseed oil into bio-diesel.

Chinese oilseed industry leaders have been lobbying the GOC on "promoting domestic oilseed production" in recent years. The above mentioned measures are mainly the government response to the rapid increase in vegetable oil prices since the end of 2006, coupled with sharp fall of soybean and rapeseed planted area/production in 2007.

Chinese officials and industry representatives are aware that poor competitiveness and low income are intertwined in the soybean sector. Moreover, they have limited ability to change the system because increasing average plot size risks unwanted unemployment/urban migration and the remnants of the grain "self-sufficiency" program are politically off-limits. Thus, the only real levers left to the GOC are ways to increase yield, marketing efficiency, and even the playing field with other subsidized crops. Based on these factors, industry representatives in the Chinese soybean sector suggest providing more technical support to farmers.

The "biotech-free" soybean production policy remains unchanged and is not likely to be changed in the foreseeable future. This is chiefly because domestic soybeans are increasingly consumed directly as food, such as tofu, and the GOC still regards genetically modified food as a sensitive issue. Moreover, this policy ensures China can export with a substantial premium to European and Asian markets. This policy is de facto becoming the industry marketing strategy.

The trade related biotech policy also remains unchanged. In early 2007, MOA reviewed and extended the genetically enhanced soybean safety certificates to February 20, 2010. Although shipment-by-shipment certification by MOA is unnecessarily burdensome, traders have not reported trade disruption related to biotech certificates.

The proposed "Bulk Agricultural Commodity Import Reporting System" is another unnecessarily burdensome new policy related to soy imports (GAIN report CH6116 and GAIN7012). USDA submitted comments to and held several consultations with MOFCOM to express U.S. concerns over the potential trade impact of the system. MOFCOM has stated that it believes the reporting system will have no trade impact and is WTO compliant. However, it has also stated that it is interested in industry comments and will take them into consideration. MOFCOM has not notified importers when the finalized measures will be published or implemented.

The GOC reduced the import tariff rate for soybeans to one percent from three percent for three months effective October 1, 2007. The one percent rate was extended to March 31, 2008 because of continued high CPI and the Chinese New Year vacation demand spike. It is not clear whether this rate will continue after March 2008. Post believes that it is likely that the one percent tariff rate will be maintained based on the high CPI in the first months in 2008.

On December 5, 2007, China's State Grain Administration (SGA) issue a circular (Guo Liang Diao 2007 No.248) on "Establishing a Data Reporting System in Large Edible Oil Processing Plants". The system is a follow up measure aimed at monitoring the edible supply and demand situation. It appears there is no significant impact on soybean trade.

According to SGA, on October 28, 2007, the GOC sold 200,000 MT of vegetable oil in state reserves by open auction in order to stabilize the soaring vegetable oil price. Industry sources said that the impact of this auction on domestic oil prices remained limited. China's

industry leaders have proposed to the GOC to increase the state oilseed/oil reserve to address sharp price swings and ad hoc situations (natural disasters).

### **CSIA's Focus Mainly on Domestic Oilseed Rejuvenation**

China Soybean Industry Association (CSIA) was officially established in March 2007 (GAIN 7012). Despite its broad goals and objectives, thus far CSIA appears to be mainly engaged in lobbying the GOC to support domestic soybean production including the new subsidy measures outlined above. Other CSIA efforts seem to have had limited impact on soybean trade because of the strong oilseed demand which simply can not be met by domestic production. Ironically, some rapeseed industry leaders opine that rapeseed is the only oilseed crop which has great potential in planted area and therefore the GOC's subsidies should favor rapeseed farmers. The creation of CSIA, the continual dissatisfaction of many Chinese soybean farmers, and the growth in import market share have raised the intensity of the debate about the soybean industry within China. It is widely believed that facing the growing supply and demand gap and high prices for oilseed products, the GOC is likely to maintain the current policy, while CSIA's role will focus on domestic production support and subsidies.

### **Marketing**

The soybean marketing pace of the MY07/08 domestic crop remained faster than normal because of the relatively high farm-gate price after harvest. Industry sources reported that as of the end of January, in Heilongjiang province farmers still held from 20 to 30 percent of production. The current price growing trend makes some farmers held product in expectation of even higher prices.

The general domestic soybean-marketing situation remains unchanged. The soybeans produced in the Northeast provinces are used throughout China to produce food, while the remainder is crushed locally or in nearby provinces. Traders of domestic soybeans for food use are usually small to medium size and still face many challenges in consolidating soybeans from households and villages. They complain that the shortage of rail cars impedes the shipment of soybeans to other parts of the country and extra fees for obtaining rail cars are burdensome. To ship out soybeans by truck is increasing because of the improved highways and convenience in redistribution. According to industry insiders, in order to crush domestic soybeans companies have to bear additional costs of about 170 RMB/MT because of inefficient capital costs and extra expenditures on warehousing, transport and packaging.

China's soybean crushing industry continued to consolidate in 2007, though industry sources indicate that mergers and acquisitions appeared to be less than 2006. There are no official reports on newly added crushing capacity in 2007, but most industry insiders believe the total crushing capacity increased from the 80 MMT per year reported at the end of 2006. The capacity utilization is slightly more than 40 percent. Foreign ownership accounted for 65 to 70 percent of the total estimated utilized capacity. It is therefore likely that the mergers and acquisitions process will continue in MY08/09 as excess capacity hangs most heavily on smaller, domestically owned crushers.

For general marketing information, contact the American Soybean Association (ASA). ASA is actively involved in marketing activities in China. They can be reached via email at [beisoya@asachina.org](mailto:beisoya@asachina.org). FAS's Agricultural Trade Office in Beijing also can provide marketing assistance via [atobeijing@usda.gov](mailto:atobeijing@usda.gov).

## Rapeseed

MY08/09 rapeseed planted area is forecast at 7.1 MHa, up eight percent over the previous year. Planted area is forecast to be composed of 6.5 MHa of winter crop in the Yangtze River region and 600,000 Ha of spring crop in other provinces. This forecast is based on reports that farmers in the winter 2007 planting season responded to the higher oilseed prices and increased MOA subsidies by expanding area at the expense of winter wheat and planting on some land that had been idle. However, harvested area is forecast to be only 6.7 MHa due to the severe winter storms in central and southern China in January and February 2008. China's forecast rapeseed production is 11 MMT, based on the higher planted area, but lower yield.

Repeated ice and snow storms battered a wide area in China during January and February and industry sources indicate that the worst hit areas included Hunan, Guizhou, Jiangxi, and part of Hubei and Anhui provinces. By category, the early crop and the very young transplanted plants had the most damage. MOA estimated that 3.3 MHa of rapeseed were damaged to some extent, of which 410,000 Ha will be abandoned due to the damage. Various industry sources generally agree with the MOA estimate of seriously damaged acreage. However, in the few weeks since this area has been open to travel, industry experts continue to disagree as to the extent of the damage to the rest of the crop. An NDRC official estimated that, despite the sleet/snow damage, the MY08/09 rapeseed production will be similar to the previous year due to growth in planted area. Visitors to the region have commented that the snow in many areas protected the plants from ice damage, the plants were not in a sensitive stage of development, and that rapeseed is not generally grown in the slightly higher elevations that were worse hit by the snow/ice. Some suggest that the precipitation will be beneficial in re-charging the soil moisture after the serious drought stress of MY07/08. Based on these various sources, Post forecasts that yield will be 1.64 MT/Ha in MY 08/09. This forecast is slightly above (+3%) the very low, drought affected crop of MY 07/08, but 11 percent below the more average yield of MY06/07. The weather conditions in the Yangtze River region returned to normal in mid-February and no flooding was reported.

According to the 2007 Statistics Book on Production Costs and Profits for Agricultural Products (by NDRC), rapeseed profit was as low as US\$20/Ha in Hubei and Jiangsu Provinces. This extremely low profitability led to the previous very low planted area and presented industry leaders difficulty when trying to convince farmers to increase rapeseed planting on idle land or to switch out of winter wheat.

Most rapeseed traders and crushers are small to medium in scale and this situation is not likely to change in the foreseeable future. Locally, rapeseed meal remains a major protein source for feed because it is cheap. Although rapeseed oil is priced higher than soy oil consumers in traditionally rapeseed oil consuming regions prefer it. However, in other regions, consumers are more price-sensitive when they buy bottled, refined vegetable oil.

## Peanuts

The MY08/09 peanut production forecast is 15 MMT, slightly higher than the estimated production of 14.4 MMT in MY07/08. This is based on a slightly increased planted area and relatively low yield. Prices for peanut products have remained high since mid-2006. Currently, peanut oil retail price exceeds US\$2.8/liter at the retail level, up from the US\$2/liter a year ago. According to Shandong Provincial Statistics Bureau, peanut planted area increased three percent to 880,000 Ha and production was estimated at less than 3.6 MMT in MY07/08, almost unchanged from the previous year.

Peanut exports are forecast to be 920,000 MT in MY08/09, up from the estimated 700,000 MT exports in MY07/08, but lower than the 1.0 MMT in MY06/07. Stagnant exports are mainly attributable to strong domestic demand and trade impediments imposed by Japan (Positive-Listing System effective June 1, 2006) and the European Union (strict Aflatoxin residue level). Nevertheless, Japan still remains the largest destination for China's peanut products, followed by Russia and South Korea. For general background on China's peanut sector, see the December 2003 "Peanut Sector Report," (GAIN Report CH3134).

### **Cottonseed**

China's cottonseed production in MY08/09 is forecast to 13.3 MMT based on high cotton production in 2006 and 2007 and the strong demand for cotton by the textile industry. To forecast cottonseed production remains challenging because the official cotton production numbers vary greatly among different agencies. Post believes China's cotton production has been under-estimated by more than 500,000 MT yearly in recent years. The current PSD table for cottonseed reflects Post's upward adjusted three year estimates/forecast for cotton/cottonseed production.

### **Oilseed Meal Situation and Outlook**

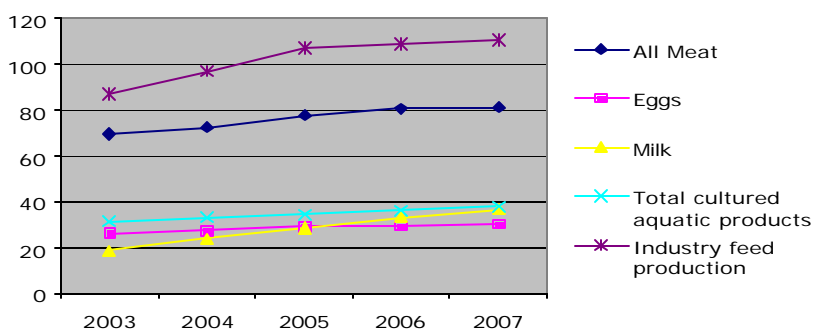
MY08/09 oilseed meal production is forecast at 47.5 MMT based on a projected oilseed crush of 70.7 MMT. This forecast is five percent and three percent higher than MY07/08, respectively. Soybean meal continues to dominate the oil meal complex, accounting for 68 percent of total meal production followed by rapeseed meal (15 percent) and cottonseed meal (9 percent). Total oil meal supply in MY08/09 is forecast at 49.3 MMT, up 2.3 MMT or five percent over the estimate for MY07/08. Fishmeal continues to be the largest protein meal imported with an annual volume at more than 1.0 MMT, while trade of other protein meals remains insignificant.

### **Soybean Meal**

#### **Production and Consumption**

Soybean meal (SBM) production in MY08/09 is forecast at 32.3 MMT, up six percent from the estimated 30.5 MMT in MY07/08. Growing demand for animal products continues to drive SBM production and consumption in MY08/09. The following table shows China's production of animal products and industrialized feed from 2002 to 2006. The annual feed production growth rate averaged nearly six percent.

Chart 3. Industrialized Feed and Major Animal Product Volume from 2003-2007(in MMT)



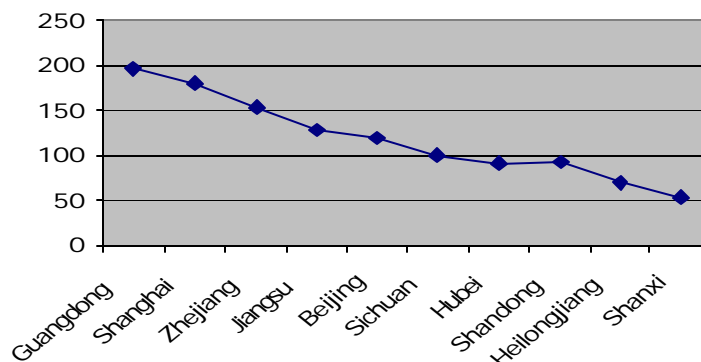
Source: NSB 2007 Statistics Yearbook Table 13-21/22; Ministry of Agriculture 2006 China Agriculture Statistics Report 2006; Data for 2007 are Post's estimates; Feed data is based on industry sources

According to MOA, feed production reached 107 MMT in 2005, up 11 percent over the previous year. Industry sources indicate that the rapid growth of industrialized feed production confirms studies that show commercial feed based animal husbandry is replacing traditional feeding practices. Feed production growth slowed down in 2006 because of the outbreak of avian influenza (AI) and other diseases. Preliminary estimated feed production in 2007 shows a two percent increase over the previous year. The price surge for animal products since mid-2007 supported animal husbandry development and the GOC enforced a favorable policy on promoting swine production. Currently, broiler and layer production have the highest commercial feed usage rate.

According to MOA, in the first nine months of 2007, feed production was estimated at 82 MMT, up five percent as compared with the same period of 2006. Feed production for broilers increased by 28 percent over the previous year. Aquatic and ruminant feed also rose by 11 and eight percent, respectively. Compound production increased sharply by 12 percent while concentrate feed fell by 14 percent over the previous year. This meant more farmers prefer ready-to-feed products in raising animals and therefore more SBM is incorporated. Industry analysts estimate that feed production in the last quarter of 2007 remained dynamic in expectation of good profit for most animal products in 2008. In general, the strong growth of the animal production sector will continue to drive feed production in MY08/09, demanding corresponding soybean or SBM imports. The "Five-Year (2006-2010) Plan on Development of Feed Industry" set the target for feed production at 131 MMT in 2010, with annual average growth rate of 4.5 percent.

The demand for animal proteins by Chinese consumers will drive SBM production and consumption in MY08/09. China's per capita expenditures for animal proteins (including all meats, poultry, eggs and aquatic products) for 2006 averaged US\$109, up six percent over the previous year. Spending varies widely among regions, with the highest spending in Guangdong (US\$197) and the lowest in Shanxi province (US\$54). Large cities and a few coastal provinces are well above average and skew the national median expenditure; most regions lie well below the national average.

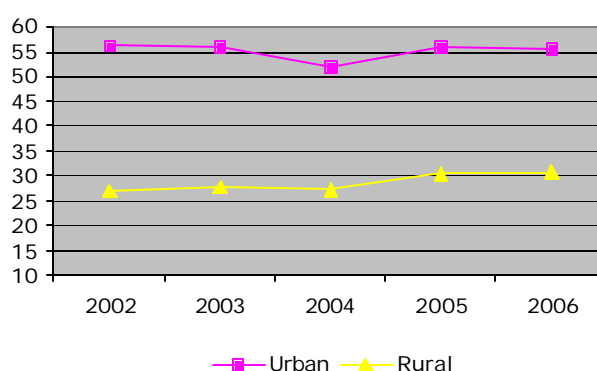
Chart 4. Urban Per Capita Expenditures for Protein Food in Selected Provinces in 2006 (in US\$)



Note: Protein food includes meat, poultry and processed products, eggs and aquatic products  
Source: NSB 2007 Statistics Book 10/16

In addition, the average difference between per capita yearly consumption of protein food in urban and rural areas remains large (more than 20 Kg). The consumption difference declined markedly to 20Kg in 2006, from 24.5 Kg in 2002. The consumption of milk and related products remained very low among the rural population (3.1 Kg) in 2006 as compared to the urban population (18.3 Kg). These differences illustrate the great potential increases in animal protein consumption by the 745 million rural people (out of the total 1,307 million) as incomes rise. Overall increases are also fueled by urbanization and remittances to rural areas. In general, the potential demand for protein food remains huge, especially in the inland rural provinces. As incomes permit the realization of new food patterns, it will drive demand for protein meals, especially SBM.

Chart 5. Comparison of per capita protein food consumption between rural and urban households in 2006 (Kg)



Note: Fresh milk is not included in urban protein food in these statistics  
Source: 2007 NSB Statistics Book Table 10-9 and 10-29

## Trade

SBM imports in MY08/09 are forecast at 200,000 MT, down from the estimated 300,000MT in MY07/08. SBM imports increased rapidly to 836,000 MT in MY05/06, though this is mainly



due to relatively cheap supplies from India. China became a net SBM importer in MY05/06, despite being a net exporter the five previous years. However, extensive SBM imports are unlikely in MY07/08 and MY08/09 due to China's excess soybean crushing capacity.

SBM exports increased to 840,000 MT in MY06/07 making China a net SBM exporter again. Japan remained the largest buyer, accounting for 68 percent of China SBM exports in MY06/07. Industry analysts expect sporadic imports and exports of SBM as traders take advantage of regional or local price differences and China exports non-biotech SBM. The trade volume will remain insignificant compared to China's more than 30 MMT SBM supply.

### **Fishmeal**

Fishmeal imports for 2008 are forecast at 1.2 MMT, up from 1.1 MMT in 2007, but lower than the 1.58 MMT imported in 2005. Between May and March 2006, fishmeal prices skyrocketed from \$850 to more than \$1,300 per metric ton. High prices continued through mid-2007 before falling to less than \$1,000 per metric ton. As a result, consumption for 2006 was low because other protein meals were added as substitutes in order to reduce costs. However, fishmeal consumption rose again in 2007 as prices fell. Domestic fishmeal production stands at about 300,000 MT per year. Global fishmeal production for 2008 is unlikely to change significantly. Imports in 2008 are forecast to recover given the demand by large-scale animal and aquaculture industries and coupled with a strong SBM price in late 2007, though fishmeal price and availability will remain a constraint.

### **Cottonseed Meal**

Cottonseed meal production in MY08/09 is forecast to fall to 4.2 MMT from 4.3 MMT in MY07/08. Forecasting cottonseed meal production remains difficult in part because the yearly difference for domestic cotton production data between the GOC sources amounted to 1.0 MMT. The current forecast is post's analysis based on the recent domestic cotton production trends. China is the world's largest cotton and textile producer, the GOC maintains a policy to encourage a stable cotton area. Cottonseed meal production and its share in the protein meal complex are expected to be stable in normal weather years.

### **Oil Situation and Outlook**

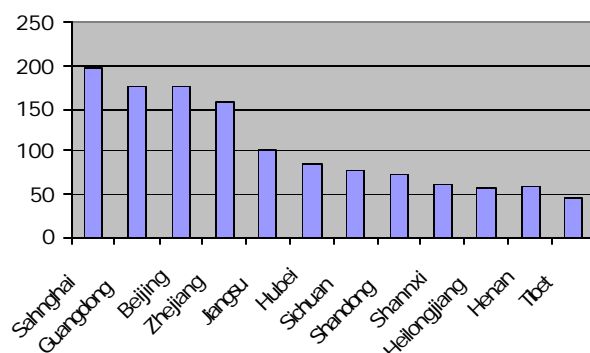
#### **Total Oils**

Total vegetable oil production for MY08/09 is forecast at 15.5 MMT, up 800,000 MT from the MY07/08 estimate. MY07/08 production was low because of the reduced domestic production for soybeans and rapeseed. Soybean oil is expected to remain the number one vegetable oil produced in China, accounting for 47 percent of total oil production, followed by rapeseed oil (26 percent), peanut oil (15 percent), cottonseed oil (9 percent), and sunflower seed oil (2 percent). Total oil imports for MY08/09 are forecast to increase to 9.6 MMT from the estimated 9.3 MMT in the previous year. The MY08/09 total oil supply is forecast at 25.2 MMT.

The MY08/09 total domestic food-use consumption of oils is forecast at 22.6 MMT, four percent more than MY07/08. This amounts to 17 Kg per person based on China's population of 1,314 million as of the end of 2006. Note that China's average consumption of vegetable oil (16.6 kg) in 2007 remains 34 percent less than Taiwan's 2005 per capita consumption of 25.1 kg (See FAS/Taiwan report, TW7001). Even though China's oil consumption has grown rapidly in recent years, there still is significant growth potential before it reaches the level of Taiwan and other similar Asian markets. According to NSB statistics, the per capita expenditures for dining out by urban residents continued its rapid growth in 2006 to reach

an average of US\$98, up 29 percent over the previous year. The highest expenditures for dining out were Shanghai (US\$198) and the lowest was Tibet (US\$46). (See table above). In addition, NSB's data also shows that rural people consume 3 Kg less vegetable oil per capita per year than urban people. With 11.4 percent GDP growth in 2007, a growing middle class that has more disposable income and eats more meals outside the home, and more than 120 million migrant workers living in cities; the long-term outlook for oil and oilseed imports remains very bright. (Some sources estimate migrant rural people in cities amounts to 200 million).

Chart 6. Per Capita Expenditure for Dining Out by Urban Residents in Selected Provinces in 2006 (in US\$)



Source: NSB 2007 China Price and Expenditures for Urban Population Statistics

On January 01, 2006, in compliance with its WTO commitments, China eliminated the TRQ for vegetable oils (soy oil, palm oil and rapeseed oil) and replaced it with an "automatic import licensing system" for the purpose of monitoring imports (See CH6006/TRQ Table 27-29). Post knows of no problem created by this administrative system.

Palm oil imports are forecast to remain strong in MY08/09 at 5.7 MMT. However, lack of exportable supplies from Malaysia and Indonesia may limit further growth. The share of palm oil is estimated at 62 among total oil imports in MY07/08. Soybean oil imports are forecast to increase import market share, accounting for 34 percent of total oil imports in MY08/09.

The wholesale price for major oils increased dramatically after September 2006 and continued in 2007. Compared with January 2007, wholesale prices in December surged by 45, 51 and 50 percent for soybean oil, rapeseed oil and palm oil, respectively. The price rise for oils is mainly in response to the rise in international oilseed prices in fall 2006 and the widely reported demand of the bio-fuel industry. However, price growth in vegetable oils is expected to have limited impact on consumption growth.

### Soybean Oil

The MY08/09 soybean oil production forecast is 7.3 MMT, up 5.8 percent from last year's estimate. MY08/09 imports are forecast at 3.1 MMT, up 11 percent than the estimated 2.8 MMT for MY07/08.



**China's Soybean Oil Imports by Origin (in MT) from MY03/04 to MY05/06**

| Country       | MY04/05   | Share% | MY05/06   | Share% | MY06/07   | Share% |
|---------------|-----------|--------|-----------|--------|-----------|--------|
| Argentina     | 1,326,169 | 77%    | 1,193,070 | 79%    | 1,954,818 | 81%    |
| Brazil        | 400,931   | 23%    | 316,176   | 21%    | 292,837   | 6%     |
| United States | 800       | 0%     | 2,804     | 0%     | 147,830   | 6%     |
| Other         | 264       | 0%     | 160       | 0%     | 8,390     | 0%     |
| Total         | 1,728,205 | 100%   | 1,516,238 | 100%   | 2,403,884 | 100%   |

Source: World Trade Atlas

**Palm Oil**

Palm oil imports are forecast at 5.7 MMT in MY08/09, unchanged from the previous year. Demand for palm oil is very strong because it remains less expensive compared to soybean oil. In 2007, soybean oil prices ranged 3 to 21 percent higher than palm oil, compared to 10 to 32 percent in 2006. The lower price gap between soybean oil and palm oil is expected to boost soybean oil imports. Blending palm oil with other vegetable oils and selling it as cooking oil remains popular. Another factor contributing to strong demand continues to be increased demand for processed foods, especially instant noodles, which use large amounts of palm oil. Industry sources show that instant noodle production reached 489 million bags in 2007, up 18 percent over 2003. Ready-to-eat noodles are popular with travelers, migrant workers, and some office workers. With more and more people traveling and eating outside of the home, demand for instant noodles is expected to continue rising in the near future.

Palm oil demand can only be supplied by imports because it is not produced in China. China's close proximity to Malaysia and other major palm oil producers gives palm oil the advantage of lower shipping costs relative to other oils. According to industry sources, the 2008 palm oil production in Indonesia is expected to reach 16.7 MMT, up from the 16 MMT the previous year, while production in Malaysia remains generally unchanged. However, the planned expansion of Southeast Asian biodiesel capacity using palm oil as a feed stock creates some uncertainty regarding the future supplies of exportable palm oil in Indonesia and Malaysia. This local biodiesel demand and demand for vegetable oils for biodiesel in Europe may pose a considerable challenge to increasing China's imports of vegetable oils.

## Statistics Tables

## Total Oilseeds, Total Meal, and Total Oil PSD Tables

Table 1. Total Oilseeds

| PSD Table              |                                    |               |                   |               |               |                   |               |               |                   |
|------------------------|------------------------------------|---------------|-------------------|---------------|---------------|-------------------|---------------|---------------|-------------------|
| Country                | China, Peoples Republic of         |               |                   |               |               |                   |               |               |                   |
| Commodity              | Total Oilseeds (1000 MT) (1000 Ha) |               |                   |               |               |                   |               |               |                   |
|                        | 2006 Revised                       |               |                   | 2007 Estimate |               |                   | 2008 Forecast |               |                   |
|                        | USDA Official                      | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New |
| Market Year Begin      |                                    | 10-2006       |                   |               | 10-2007       |                   |               | 10-2008       |                   |
| Area Planted           | 20500                              | 0             | 20500             | 20800         | 0             | 27030             | 0             | 0             | 28190             |
| Area Harvested         | 27731                              | 0             | 27731             | 26990         | 0             | 27020             | 0             | 0             | 27790             |
| Beginning Stocks       | 4473                               | 0             | 4473              | 3123          | 0             | 3123              | 2773          | 0             | 3023              |
| Production             | 59092                              | 0             | 59092             | 55610         | 0             | 54200             | 0             | 0             | 57200             |
| MY Imports             | 29697                              | 0             | 29697             | 34607         | 0             | 35807             | 0             | 0             | 37005             |
| MY Imp. from U.S.      | 11505                              | 0             | 11505             | 11500         | 0             | 11500             | 0             | 0             | 12000             |
| MY Imp. from the EC    | 0                                  | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| TOTAL SUPPLY           | 93262                              | 0             | 93262             | 93340         | 0             | 93130             | 2773          | 0             | 97228             |
| MY Exports             | 1572                               | 0             | 1572              | 1216          | 0             | 1211              | 0             | 0             | 1420              |
| MY Exp. to the EC      | 180                                | 0             | 180               | 180           | 0             | 180               | 0             | 0             | 0                 |
| Crush Dom. Consumption | 67397                              | 0             | 67397             | 68252         | 0             | 67440             | 0             | 0             | 70692             |
| Food Use Dom. Consump. | 14720                              | 0             | 14720             | 14730         | 0             | 14837             | 0             | 0             | 14860             |
| Feed,Seed,Waste Dm.Cn. | 6450                               | 0             | 6450              | 6369          | 0             | 6619              | 0             | 0             | 6733              |
| TOTAL Dom. Consumption | 88567                              | 0             | 88567             | 89351         | 0             | 88896             | 0             | 0             | 92285             |
| Ending Stocks          | 3123                               | 0             | 3123              | 2773          | 0             | 3023              | 0             | 0             | 3523              |
| TOTAL DISTRIBUTION     | 93262                              | 0             | 93262             | 93340         | 0             | 93130             | 0             | 0             | 97228             |
| Calendar Year Imports  | 30837                              | 0             | 30837             | 35104         | 0             | 35104             | 0             | 0             | 37902             |
| Calendar Yr Imp. U.S.  | 11500                              | 0             | 11500             | 12500         | 0             | 12500             | 0             | 0             | 12000             |
| Calendar Year Exports  | 1538                               | 0             | 1538              | 1426          | 0             | 1256              | 0             | 0             | 1250              |
| Calndr Yr Exp. to U.S. | 14                                 | 0             | 14                | 14            | 0             | 14                | 0             | 0             | 15                |

Table 2. Total Meals

| PSD Table              |                            |               |                   |               |               |                   |               |               |                   |
|------------------------|----------------------------|---------------|-------------------|---------------|---------------|-------------------|---------------|---------------|-------------------|
| Country                | China, Peoples Republic of |               |                   |               |               |                   |               |               |                   |
| Commodity              | Total Meal (1000 MT)       |               |                   |               |               |                   |               |               |                   |
|                        | 2006 Revised               |               |                   | 2007 Estimate |               |                   | 2008 Forecast |               |                   |
|                        | USDA Official              | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New |
| Market Year Begin      |                            | 10-2006       |                   |               | 10-2007       |                   |               | 10-2008       |                   |
| Crush                  | 68597                      | 0             | 68597             | 69452         | 0             | 68640             | 0             | 0             | 70692             |
| Extr. Rate, 999.9999   |                            |               |                   |               |               |                   | 0             | 0             |                   |
| Beginning Stocks       | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Production             | 44439                      | 3938          | 44439             | 45608         | 0             | 45095             | 0             | 0             | 47450             |
| MY Imports             | 1411                       | 1             | 1411              | 1930          | 0             | 1935              | 0             | 0             | 1856              |
| MY Imp. from U.S.      | 65                         | 0             | 65                | 65            | 0             | 65                | 0             | 0             | 70                |
| MY Imp. from the EC    | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| TOTAL SUPPLY           | 45850                      | 3939          | 45850             | 47538         | 0             | 47030             | 0             | 0             | 49306             |
| MY Exports             | 976                        | 100           | 976               | 735           | 0             | 515               | 0             | 0             | 780               |
| MY Exp. to the EC      | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Industrial Dom. Consum | 1330                       | 145           | 1330              | 1365          | 0             | 1365              | 0             | 0             | 1495              |
| Food Use Dom. Consump. | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Feed Waste Dom. Consum | 43544                      | 3694          | 43544             | 45438         | 0             | 45150             | 0             | 0             | 47031             |
| TOTAL Dom. Consumption | 44874                      | 3839          | 44874             | 46803         | 0             | 46515             | 0             | 0             | 48526             |
| Ending Stocks          | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| TOTAL DISTRIBUTION     | 45850                      | 3939          | 45850             | 47538         | 0             | 47030             | 0             | 0             | 49306             |
| Calendar Year Imports  | 1420                       | 0             | 1395              | 2435          | 0             | 1950              | 0             | 0             | 1885              |
| Calendar Yr Imp. U.S.  | 65                         | 0             | 65                | 65            | 0             | 65                | 0             | 0             | 70                |
| Calendar Year Exports  | 959                        | 0             | 959               | 690           | 0             | 560               | 0             | 0             | 794               |
| Calndr Yr Exp. to U.S. | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |

Table 3. Total Oils

| PSD Table              |                            |               |                   |               |               |                   |               |               |                   |
|------------------------|----------------------------|---------------|-------------------|---------------|---------------|-------------------|---------------|---------------|-------------------|
| Country                | China, Peoples Republic of |               |                   |               |               |                   |               |               |                   |
| Commodity              | Total Oils (1000 MT)       |               |                   |               |               |                   |               |               |                   |
|                        | 2006 Revised               |               |                   | 2007 Estimate |               |                   | 2008 Forecast |               |                   |
|                        | USDA Official              | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New |
| Market Year Begin      |                            | 10-2006       |                   |               | 10-2007       |                   |               | 10-2007       | 10-2007           |
| Crush                  | 67397                      | 0             | 67397             | 68252         | 0             | 67440             | 0             | 0             | 70692             |
| Extr. Rate, 999.9999   |                            |               |                   |               |               |                   | 0             |               |                   |
| Beginning Stocks       | 200                        | 0             | 200               | 250           | 0             | 250               | 210           | 210           | 180               |
| Production             | 15104                      | 0             | 15104             | 14984         | 0             | 14700             | 0             | 0             | 15472             |
| MY Imports             | 8111                       | 0             | 8111              | 9265          | 0             | 9230              | 0             | 0             | 9571              |
| MY Imp. from U.S.      | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| MY Imp. from the EC    | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| TOTAL SUPPLY           | 23415                      | 0             | 23415             | 24499         | 0             | 24180             | 210           | 210           | 25228             |
| MY Exports             | 264                        | 0             | 170               | 80            | 0             | 80                | 0             | 0             | 75                |
| MY Exp. to the EC      | 30                         | 0             | 30                | 5             | 0             | 5                 | 0             | 0             | 0                 |
| Industrial Dom. Consum | 1950                       | 0             | 1950              | 2150          | 0             | 2150              | 0             | 0             | 2250              |
| Food Use Dom. Consum.  | 20951                      | 0             | 21045             | 22059         | 0             | 21770             | 0             | 0             | 22603             |
| Feed Waste Dom. Consum | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| TOTAL Dom. Consumption | 22901                      | 0             | 22995             | 24209         | 0             | 23920             | 0             | 0             | 24853             |
| Ending Stocks          | 250                        | 0             | 250               | 210           | 0             | 180               | 0             | 0             | 300               |
| TOTAL DISTRIBUTION     | 23415                      | 0             | 23415             | 24499         | 0             | 24180             | 0             | 0             | 25228             |
| Calendar Year Imports  | 2165                       | 0             | 755               | 2090          | 0             | 940               | 0             | 0             | 821               |
| Calendar Yr Imp. U.S.  | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Calendar Year Exports  | 152                        | 0             | 127               | 165           | 0             | 84                | 0             | 0             | 68                |
| Calndr Yr Exp. to U.S. | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |

## Oilseeds PSD Tables

Table 4. Soybeans

| PSD Table             |                            |               |                   |               |               |                   |               |               |                   |
|-----------------------|----------------------------|---------------|-------------------|---------------|---------------|-------------------|---------------|---------------|-------------------|
| Country               | China, Peoples Republic of |               |                   |               |               |                   |               |               |                   |
| Commodity             | Oilseed, Soybean (1000 MT) |               |                   |               |               |                   |               |               |                   |
|                       | 2006 Revised               |               |                   | 2007 Estimate |               |                   | 2008 Forecast |               |                   |
|                       | USDA Official              | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New |
| Market Year Begin     |                            | 10-2006       |                   |               | 10-2007       |                   |               | 10-2008       |                   |
| Area Planted          | 9300                       | 0             | 9300              | 9200          | 0             | 8700              | 0             | 0             | 9300              |
| Area Harvested        | 9280                       | 0             | 9280              | 8700          | 0             | 8700              | 0             | 0             | 9300              |
| Beginning Stocks      | 4473                       | 0             | 4473              | 3123          | 0             | 3123              | 2773          | 0             | 3023              |
| Production            | 15967                      | 0             | 15967             | 14300         | 0             | 14000             | 0             | 0             | 16000             |
| MY Imports            | 28726                      | 0             | 28726             | 34000         | 0             | 35000             | 0             | 0             | 36000             |
| MY Imp. from U.S.     | 11505                      | 0             | 11505             | 11500         | 0             | 11500             | 0             | 0             | 12000             |
| MY Imp. from EU       | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Supply          | 49166                      | 0             | 49166             | 51423         | 0             | 52123             | 2773          | 0             | 55023             |
| MY Exports            | 446                        | 0             | 446               | 300           | 0             | 400               | 0             | 0             | 400               |
| MY Exp. to EU         | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Crush                 | 35477                      | 0             | 35477             | 38100         | 0             | 38500             | 0             | 0             | 40800             |
| Food Use Dom. Cons.   | 8420                       | 0             | 8420              | 8550          | 0             | 8500              | 0             | 0             | 8500              |
| Feed Waste Dom. Cons. | 1700                       | 0             | 1700              | 1700          | 0             | 1700              | 0             | 0             | 1800              |
| Total Dom. Cons.      | 45597                      | 0             | 45597             | 48350         | 0             | 48700             | 0             | 0             | 51100             |
| Ending Stocks         | 3123                       | 0             | 3123              | 2773          | 0             | 3023              | 0             | 0             | 3523              |
| Total Distribution    | 49166                      | 0             | 49166             | 51423         | 0             | 52123             | 0             | 0             | 55023             |
| CY Imports            | 30000                      | 0             | 30000             | 34500         | 0             | 34500             | 0             | 0             | 37000             |
| CY Imp. from U.S.     | 11500                      | 0             | 11500             | 12500         | 0             | 12500             | 0             | 0             | 12000             |
| CY Exports            | 400                        | 0             | 400               | 390           | 0             | 390               | 0             | 0             | 400               |
| CY Exp. to U.S.       | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |

Table 5. Rapeseed

| PSD Table             |                             |               |                   |               |               |                   |               |               |                   |
|-----------------------|-----------------------------|---------------|-------------------|---------------|---------------|-------------------|---------------|---------------|-------------------|
| Country               | China, Peoples Republic of  |               |                   |               |               |                   |               |               |                   |
| Commodity             | Oilseed, Rapeseed (1000 MT) |               |                   |               |               |                   |               |               |                   |
| 0                     | 2006 Revised                |               |                   | 2007 Estimate |               |                   | 2008 Forecast |               |                   |
| 0                     | USDA Official               | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New |
| Market Year Begin     |                             | 10-2006       |                   |               | 10-2007       |                   |               | 10-2008       | 10-2008           |
| Area Planted          | 0                           | 0             | 0                 | 0             | 0             | 6600              | 0             | 0             | 7100              |
| Area Harvested        | 6880                        | 0             | 6880              | 6600          | 0             | 6600              | 0             | 0             | 6700              |
| Beginning Stocks      | 0                           | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Production            | 12649                       | 0             | 12649             | 11600         | 0             | 10500             | 0             | 0             | 11000             |
| MY Imports            | 961                         | 0             | 961               | 600           | 0             | 800               | 0             | 0             | 1000              |
| MY Imp. from U.S.     | 0                           | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| MY Imp. from EU       | 0                           | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Supply          | 13610                       | 0             | 13610             | 12200         | 0             | 11300             | 0             | 0             | 12000             |
| MY Exports            | 1                           | 0             | 1                 | 1             | 0             | 1                 | 0             | 0             | 0                 |
| MY Exp. to EU         | 0                           | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Crush                 | 12940                       | 0             | 12940             | 11550         | 0             | 10600             | 0             | 0             | 11300             |
| Food Use Dom. Cons.   | 0                           | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Feed Waste Dom. Cons. | 669                         | 0             | 669               | 649           | 0             | 699               | 0             | 0             | 700               |
| Total Dom. Cons.      | 13609                       | 0             | 13609             | 12199         | 0             | 11299             | 0             | 0             | 12000             |
| Ending Stocks         | 0                           | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Distribution    | 13610                       | 0             | 13610             | 12200         | 0             | 11300             | 0             | 0             | 12000             |
| CY Imports            | 833                         | 0             | 833               | 600           | 0             | 600               | 0             | 0             | 900               |
| CY Imp. from U.S.     | 0                           | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| CY Exports            | 1                           | 0             | 1                 | 1             | 0             | 1                 | 0             | 0             | 0                 |
| CY Exp. to U.S.       | 0                           | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |

Table 6. Peanuts

| PSD Table             |                            |               |                   |               |               |                   |               |               |                   |
|-----------------------|----------------------------|---------------|-------------------|---------------|---------------|-------------------|---------------|---------------|-------------------|
| Country               | China, Peoples Republic of |               |                   |               |               |                   |               |               |                   |
| Commodity             | Oilseed, Peanut (1000 MT)  |               |                   |               |               |                   |               |               |                   |
|                       | 2006 Revised               |               |                   | 2007 Estimate |               |                   | 2008 Forecast |               |                   |
|                       | USDA Official              | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New |
| Market Year Begin     |                            | 10-2006       |                   |               | 10-2007       |                   |               | 10-2007       | 10-2007           |
| Area Planted          | 4600                       | 0             | 4600              | 4800          | 0             | 4650              | 0             | 0             | 4700              |
| Area Harvested        | 4571                       | 0             | 4571              | 4600          | 0             | 4650              | 0             | 0             | 4700              |
| Beginning Stocks      | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Production            | 14666                      | 0             | 14666             | 14000         | 0             | 14400             | 0             | 0             | 15000             |
| MY Imports            | 3                          | 0             | 3                 | 5             | 0             | 5                 | 0             | 0             | 5                 |
| MY Imp. from U.S.     | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| MY Imp. from EU       | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Supply          | 14669                      | 0             | 14669             | 14005         | 0             | 14405             | 0             | 0             | 15005             |
| MY Exports            | 1020                       | 0             | 1020              | 800           | 0             | 700               | 0             | 0             | 920               |
| MY Exp. to EU         | 180                        | 0             | 180               | 180           | 0             | 180               | 0             | 0             | 0                 |
| Crush                 | 7280                       | 0             | 7280              | 6950          | 0             | 7300              | 0             | 0             | 7650              |
| Food Use Dom. Cons.   | 5546                       | 0             | 5546              | 5430          | 0             | 5580              | 0             | 0             | 5600              |
| Feed Waste Dom. Cons. | 823                        | 0             | 823               | 825           | 0             | 825               | 0             | 0             | 835               |
| Total Dom. Cons.      | 13649                      | 0             | 13649             | 13205         | 0             | 13705             | 0             | 0             | 14085             |
| Ending Stocks         | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Distribution    | 14669                      | 0             | 14669             | 14005         | 0             | 14405             | 0             | 0             | 15005             |
| CY Imports            | 2                          | 0             | 2                 | 2             | 0             | 2                 | 0             | 0             | 2                 |
| CY Imp. from U.S.     | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| CY Exports            | 1020                       | 0             | 1020              | 920           | 0             | 750               | 0             | 0             | 850               |
| CY Exp. to U.S.       | 14                         | 0             | 14                | 14            | 0             | 14                | 0             | 0             | 15                |

Table 7. Sunflower Seed

| PSD Table             |                                   |               |                   |               |               |                   |               |               |                   |
|-----------------------|-----------------------------------|---------------|-------------------|---------------|---------------|-------------------|---------------|---------------|-------------------|
| Country               | China, Peoples Republic of        |               |                   |               |               |                   |               |               |                   |
| Commodity             | Oilseed, Sunflower Seed (1000 MT) |               |                   |               |               |                   |               |               |                   |
|                       | 2006                              | Revised       |                   | 2007          | Estimate      |                   | 2008          | Forecast      |                   |
|                       | USDA Official                     | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New |
| Market Year Begin     |                                   | 10-2006       |                   |               | 10-2007       |                   |               | 10-2007       | 10-2007           |
| Area Planted          | 1000                              | 0             | 1000              | 1100          | 0             | 980               | 0             | 0             | 990               |
| Area Harvested        | 1000                              | 0             | 1000              | 990           | 0             | 970               | 0             | 0             | 990               |
| Beginning Stocks      | 0                                 | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Production            | 1900                              | 0             | 1900              | 1800          | 0             | 1800              | 0             | 0             | 1900              |
| MY Imports            | 7                                 | 0             | 7                 | 2             | 0             | 2                 | 0             | 0             | 0                 |
| MY Imp. from U.S.     | 0                                 | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| MY Imp. from EU       | 0                                 | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Supply          | 1907                              | 0             | 1907              | 1802          | 0             | 1802              | 0             | 0             | 1900              |
| MY Exports            | 100                               | 0             | 100               | 115           | 0             | 110               | 0             | 0             | 100               |
| MY Exp. to EU         | 0                                 | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Crush                 | 958                               | 0             | 958               | 842           | 0             | 840               | 0             | 0             | 942               |
| Food Use Dom. Cons.   | 754                               | 0             | 754               | 750           | 0             | 757               | 0             | 0             | 760               |
| Feed Waste Dom. Cons. | 95                                | 0             | 95                | 95            | 0             | 95                | 0             | 0             | 98                |
| Total Dom. Cons.      | 1807                              | 0             | 1807              | 1687          | 0             | 1692              | 0             | 0             | 1800              |
| Ending Stocks         | 0                                 | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Distribution    | 1907                              | 0             | 1907              | 1802          | 0             | 1802              | 0             | 0             | 1900              |
| CY Imports            | 2                                 | 0             | 2                 | 2             | 0             | 2                 | 0             | 0             | 0                 |
| CY Imp. from U.S.     | 0                                 | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| CY Exports            | 115                               | 0             | 115               | 115           | 0             | 115               | 0             | 0             | 0                 |
| CY Exp. to U.S.       | 0                                 | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |



Table 8. Cottonseed

| PSD Table                  |                               |                  |                         |                  |                  |                         |                  |                  |                         |
|----------------------------|-------------------------------|------------------|-------------------------|------------------|------------------|-------------------------|------------------|------------------|-------------------------|
| Country                    | China, Peoples Republic of    |                  |                         |                  |                  |                         |                  |                  |                         |
| Commodity                  | Oilseed, Cottonseed (1000 MT) |                  |                         |                  |                  |                         |                  |                  |                         |
|                            | 2006 Revised                  |                  |                         | 2007 Estimate    |                  |                         | 2008 Forecast    |                  |                         |
|                            | USDA<br>Official              | Post<br>Estimate | Post<br>Estimate<br>New | USDA<br>Official | Post<br>Estimate | Post<br>Estimate<br>New | USDA<br>Official | Post<br>Estimate | Post<br>Estimate<br>New |
| Market Year Begin          |                               | 10-2006          |                         |                  | 10-2007          |                         |                  | 10-2008          | 10-2008                 |
| Area Planted<br>(Cotton)   | 5600                          | 0                | 5600                    | 5700             | 0                | 6100                    | 0                | 0                | 6100                    |
| Area Harvested<br>(Cotton) | 6000                          | 0                | 6000                    | 6100             | 0                | 6100                    | 0                | 0                | 6100                    |
| Seed to Lint Ratio         | 0                             | 0                | 0                       | 0                | 0                | 0                       | 0                | 0                | 0                       |
| Beginning Stocks           | 0                             | 0                | 0                       | 0                | 0                | 0                       | 0                | 0                | 0                       |
| Production                 | 13910                         | 0                | 13910                   | 13910            | 0                | 13500                   | 0                | 0                | 13300                   |
| MY Imports                 | 0                             | 0                | 0                       | 0                | 0                | 0                       | 0                | 0                | 0                       |
| MY Imp. from<br>U.S.       | 0                             | 0                | 0                       | 0                | 0                | 0                       | 0                | 0                | 0                       |
| MY Imp. from EU            | 0                             | 0                | 0                       | 0                | 0                | 0                       | 0                | 0                | 0                       |
| Total Supply               | 13910                         | 0                | 13910                   | 13910            | 0                | 13500                   | 0                | 0                | 13300                   |
| MY Exports                 | 5                             | 0                | 5                       | 0                | 0                | 0                       | 0                | 0                | 0                       |
| MY Exp. to EU              | 0                             | 0                | 0                       | 0                | 0                | 0                       | 0                | 0                | 0                       |
| Crush                      | 10742                         | 0                | 10742                   | 10810            | 0                | 10200                   | 0                | 0                | 10000                   |
| Food Use Dom.<br>Cons.     | 0                             | 0                | 0                       | 0                | 0                | 0                       | 0                | 0                | 0                       |
| Feed Waste Dom.<br>Cons.   | 3163                          | 0                | 3163                    | 3100             | 0                | 3300                    | 0                | 0                | 3300                    |
| Total Dom. Cons.           | 13905                         | 0                | 13905                   | 13910            | 0                | 13500                   | 0                | 0                | 13300                   |
| Ending Stocks              | 0                             | 0                | 0                       | 0                | 0                | 0                       | 0                | 0                | 0                       |
| Total Distribution         | 13910                         | 0                | 13910                   | 13910            | 0                | 13500                   | 0                | 0                | 13300                   |
| CY Imports                 | 0                             | 0                | 0                       | 0                | 0                | 0                       | 0                | 0                | 0                       |
| CY Imp. from<br>U.S.       | 0                             | 0                | 0                       | 0                | 0                | 0                       | 0                | 0                | 0                       |
| CY Exports                 | 2                             | 0                | 2                       | 0                | 0                | 0                       | 0                | 0                | 0                       |
| CY Exp. to U.S.            | 0                             | 0                | 0                       | 0                | 0                | 0                       | 0                | 0                | 0                       |

## Meals PSD Tables

Table 9. Soybean Meal

| PSD Table             |                            |               |                   |               |               |                   |               |               |                   |
|-----------------------|----------------------------|---------------|-------------------|---------------|---------------|-------------------|---------------|---------------|-------------------|
| Country               | China, Peoples Republic of |               |                   |               |               |                   |               |               |                   |
| Commodity             | Meal, Soybean (1000 MT)    |               |                   |               |               |                   |               |               |                   |
|                       | 2006 Revised               |               |                   | 2007 Estimate |               |                   | 2008 Forecast |               |                   |
|                       | USDA Official              | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New |
| Market Year Begin     |                            | 10-2006       |                   | 10-2007       |               |                   |               | 10-2008       | 10-2008           |
| Crush                 | 35477                      | 0             | 35477             | 38100         | 0             | 38500             | 0             | 0             | 40800             |
| Extr. Rate, 999.9999  | 0.7917                     | 0             | 0.7917            | 0.7913        | 0             | 0.7922            | 0             | 0             | 0.7916            |
| Beginning Stocks      | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Production            | 28090                      | 0             | 28090             | 30150         | 0             | 30500             | 0             | 0             | 32300             |
| MY Imports            | 32                         | 0             | 32                | 400           | 0             | 300               | 0             | 0             | 200               |
| MY Imp. from U.S.     | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| MY Imp. from EU       | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Supply          | 28122                      | 0             | 28122             | 30550         | 0             | 30800             | 0             | 0             | 32500             |
| MY Exports            | 867                        | 0             | 867               | 550           | 0             | 400               | 0             | 0             | 640               |
| MY Exp. to EU         | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Industrial Dom. Cons. | 725                        | 0             | 725               | 750           | 0             | 750               | 0             | 0             | 860               |
| Food Use Dom. Cons.   | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Feed Waste Dom. Cons. | 26530                      | 0             | 26530             | 29250         | 0             | 29650             | 0             | 0             | 31000             |
| Total Dom. Cons.      | 27255                      | 0             | 27255             | 30000         | 0             | 30400             | 0             | 0             | 31860             |
| Ending Stocks         | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Distribution    | 28122                      | 0             | 28122             | 30550         | 0             | 30800             | 0             | 0             | 32500             |
| CY Imports            | 50                         | 0             | 50                | 500           | 0             | 250               | 0             | 0             | 250               |
| CY Imp. from U.S.     | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| CY Exports            | 850                        | 0             | 850               | 650           | 0             | 500               | 0             | 0             | 700               |
| CY Exp. to U.S.       | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |

Table 10. Rapeseed Meal

| PSD Table             |                            |               |               |               |               |                   |               |               |                   |
|-----------------------|----------------------------|---------------|---------------|---------------|---------------|-------------------|---------------|---------------|-------------------|
| Country               | China, Peoples Republic of |               |               |               |               |                   |               |               |                   |
| Commodity             | Meal, Rapeseed (1000 MT)   |               |               |               |               |                   |               |               |                   |
|                       | 2006 Revised               |               |               | 2007 Estimate |               |                   | 2008 Forecast |               |                   |
|                       | USDA Official              | Post Estimate | Post Estimate | USDA Official | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New |
| Market Year Begin     |                            |               |               |               |               |                   |               | 10-2007       | 10-2007           |
| Crush                 | 12940                      | 0             | 12940         | 11550         | 0             | 10600             | 0             | 0             | 11300             |
| Extr. Rate, 999.9999  | 0.6282                     | 0             | 0.6282        | 0.6259        | 0             | 0.6283            | 0             | 0             | 0.6283            |
| Beginning Stocks      | 0                          | 0             | 0             | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Production            | 8130                       | 0             | 8130          | 7230          | 0             | 6660              | 0             | 0             | 7100              |
| MY Imports            | 328                        | 0             | 328           | 160           | 0             | 500               | 0             | 0             | 400               |
| MY Imp. from U.S.     | 0                          | 0             | 0             | 0             | 0             | 0                 | 0             | 0             | 0                 |
| MY Imp. from EU       | 0                          | 0             | 0             | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Supply          | 8458                       | 0             | 8458          | 7390          | 0             | 7160              | 0             | 0             | 7500              |
| MY Exports            | 54                         | 0             | 54            | 120           | 0             | 50                | 0             | 0             | 80                |
| MY Exp. to EU         | 0                          | 0             | 0             | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Industrial Dom. Cons. | 380                        | 0             | 380           | 390           | 0             | 390               | 0             | 0             | 400               |
| Food Use Dom. Cons.   | 0                          | 0             | 0             | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Feed Waste Dom. Cons. | 8024                       | 0             | 8024          | 6880          | 0             | 6720              | 0             | 0             | 7020              |
| Total Dom. Cons.      | 8404                       | 0             | 8404          | 7270          | 0             | 7110              | 0             | 0             | 7420              |
| Ending Stocks         | 0                          | 0             | 0             | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Distribution    | 8458                       | 0             | 8458          | 7390          | 0             | 7160              | 0             | 0             | 7500              |
| CY Imports            | 290                        | 0             | 290           | 350           | 0             | 450               | 0             | 0             | 400               |
| CY Imp. from U.S.     | 0                          | 0             | 0             | 0             | 0             | 0                 | 0             | 0             | 0                 |
| CY Exports            | 94                         | 0             | 94            | 25            | 0             | 45                | 0             | 0             | 75                |
| CY Exp. to U.S.       | 0                          | 0             | 0             | 0             | 0             | 0                 | 0             | 0             | 0                 |

Table 11. Peanut Meal

| PSD Table             |                            |               |                   |               |               |                   |               |               |                   |
|-----------------------|----------------------------|---------------|-------------------|---------------|---------------|-------------------|---------------|---------------|-------------------|
| Country               | China, Peoples Republic of |               |                   |               |               |                   |               |               |                   |
| Commodity             | Meal, Peanut (1000 MT)     |               |                   |               |               |                   |               |               |                   |
|                       | 2006 Revised               |               |                   | 2007 Estimate |               |                   | 2008 Forecast |               |                   |
|                       | USDA Official              | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New |
| Market Year Begin     |                            | 10-2006       |                   |               | 10-2007       |                   |               | 10-2008       | 10-2008           |
| Crush                 | 7280                       | 0             | 7280              | 6950          | 0             | 7300              | 0             | 0             | 7650              |
| Extr. Rate, 999.9999  | 0.3914                     | 0             | 0.3914            | 0.3916        | 0             | 0.39178           | 0             | 0             | 0.392157          |
| Beginning Stocks      | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Production            | 2850                       | 0             | 2850              | 2722          | 0             | 2860              | 0             | 0             | 3000              |
| MY Imports            | 47                         | 0             | 47                | 60            | 0             | 30                | 0             | 0             | 50                |
| MY Imp. from U.S.     | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| MY Imp. from EU       | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Supply          | 2897                       | 0             | 2897              | 2782          | 0             | 2890              | 0             | 0             | 3050              |
| MY Exports            | 5                          | 0             | 5                 | 5             | 0             | 5                 | 0             | 0             | 10                |
| MY Exp. to EU         | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Industrial Dom. Cons. | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Food Use Dom. Cons.   | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Feed Waste Dom. Cons. | 2892                       | 0             | 2892              | 2777          | 0             | 2885              | 0             | 0             | 3040              |
| Total Dom. Cons.      | 2892                       | 0             | 2892              | 2777          | 0             | 2885              | 0             | 0             | 3040              |
| Ending Stocks         | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Distribution    | 2897                       | 0             | 2897              | 2782          | 0             | 2890              | 0             | 0             | 3050              |
| CY Imports            | 70                         | 0             | 45                | 75            | 0             | 40                | 0             | 0             | 35                |
| CY Imp. from U.S.     | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| CY Exports            | 5                          | 0             | 5                 | 5             | 0             | 5                 | 0             | 0             | 9                 |
| CY Exp. to U.S.       | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |

Table 12. Fish Meal

| PSD Table             |                            |               |                   |               |               |                   |               |               |                   |
|-----------------------|----------------------------|---------------|-------------------|---------------|---------------|-------------------|---------------|---------------|-------------------|
| Country               | China, Peoples Republic of |               |                   |               |               |                   |               |               |                   |
| Commodity             | Meal, Fish (1000 MT)       |               |                   |               |               |                   |               |               |                   |
|                       | 2006 Revised               |               |                   | 2007 Estimate |               |                   | 2008 Forecast |               |                   |
|                       | USDA Official              | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New |
| Market Year Begin     |                            | 10-2006       |                   |               | 10-2007       |                   |               | 01-2008       | 01-2008           |
| Catch For Reduction   | 1200                       | 0             | 1200              | 1200          | 0             | 1200              | 0             | 0             | 0                 |
| Extr. Rate, 999.9999  | 0.25                       | 0             | 0.25              | 0.25          | 0             | 0.25              | 0             | 0             | 0                 |
| Beginning Stocks      | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Production            | 300                        | 0             | 300               | 300           | 0             | 300               | 0             | 0             | 300               |
| MY Imports            | 1000                       | 0             | 1000              | 1300          | 0             | 1100              | 0             | 0             | 1200              |
| MY Imp. from U.S.     | 65                         | 0             | 65                | 65            | 0             | 65                | 0             | 0             | 70                |
| MY Imp. from EU       | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Supply          | 1300                       | 0             | 1300              | 1600          | 0             | 1400              | 0             | 0             | 1500              |
| MY Exports            | 10                         | 0             | 10                | 10            | 0             | 10                | 0             | 0             | 10                |
| MY Exp. to EU         | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Industrial Dom. Cons. | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Food Use Dom. Cons.   | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Feed Waste Dom. Cons. | 1290                       | 0             | 1290              | 1590          | 0             | 1390              | 0             | 0             | 1490              |
| Total Dom. Cons.      | 1290                       | 0             | 1290              | 1590          | 0             | 1390              | 0             | 0             | 1490              |
| Ending Stocks         | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Distribution    | 1300                       | 0             | 1300              | 1600          | 0             | 1400              | 0             | 0             | 1500              |
| CY Imports            | 1000                       | 0             | 1000              | 1500          | 0             | 1200              | 0             | 0             | 1200              |
| CY Imp. from U.S.     | 65                         | 0             | 65                | 65            | 0             | 65                | 0             | 0             | 70                |
| CY Exports            | 10                         | 0             | 10                | 10            | 0             | 10                | 0             | 0             | 10                |
| CY Exp. to U.S.       | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |

Table 13. Sunflower Seed Meal

| PSD Table             |                                |               |                   |               |               |                   |               |               |                   |
|-----------------------|--------------------------------|---------------|-------------------|---------------|---------------|-------------------|---------------|---------------|-------------------|
| Country               | China, Peoples Republic of     |               |                   |               |               |                   |               |               |                   |
| Commodity             | Meal, Sunflower Seed (1000 MT) |               |                   |               |               |                   |               |               |                   |
|                       | 2006 Revised                   |               |                   | 2007 Estimate |               |                   | 2008 Forecast |               |                   |
|                       | USDA Official                  | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New |
| Market Year Begin     |                                | 10-2006       |                   |               | 10-2007       |                   |               | 10-2008       | 10-2008           |
| Crush                 | 958                            | 0             | 958               | 842           | 0             | 840               | 0             | 0             | 942               |
| Extr. Rate, 999.9999  | 0.541754                       | 0             | 0.541754          | 0.541568      | 0             | 0.541667          | 0             | 0             | 0.541401          |
| Beginning Stocks      | 0                              | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Production            | 519                            | 0             | 519               | 456           | 0             | 455               | 0             | 0             | 510               |
| MY Imports            | 4                              | 0             | 4                 | 10            | 0             | 5                 | 0             | 0             | 6                 |
| MY Imp. from U.S.     | 0                              | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| MY Imp. from EU       | 0                              | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Supply          | 523                            | 0             | 523               | 466           | 0             | 460               | 0             | 0             | 516               |
| MY Exports            | 0                              | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| MY Exp. to EU         | 0                              | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Industrial Dom. Cons. | 80                             | 0             | 80                | 80            | 0             | 80                | 0             | 0             | 85                |
| Food Use Dom. Cons.   | 0                              | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Feed Waste Dom. Cons. | 443                            | 0             | 443               | 386           | 0             | 380               | 0             | 0             | 431               |
| Total Dom. Cons.      | 523                            | 0             | 523               | 466           | 0             | 460               | 0             | 0             | 516               |
| Ending Stocks         | 0                              | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Distribution    | 523                            | 0             | 523               | 466           | 0             | 460               | 0             | 0             | 516               |
| CY Imports            | 10                             | 0             | 10                | 10            | 0             | 10                | 0             | 0             | 0                 |
| CY Imp. from U.S.     | 0                              | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| CY Exports            | 0                              | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| CY Exp. to U.S.       | 0                              | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |

Table 14. Cotton Seed Meal

| PSD Table             |                            |               |                   |               |               |                   |               |               |                   |
|-----------------------|----------------------------|---------------|-------------------|---------------|---------------|-------------------|---------------|---------------|-------------------|
| Country               | China, Peoples Republic of |               |                   |               |               |                   |               |               |                   |
| Commodity             | Meal, Cottonseed (1000 MT) |               |                   |               |               |                   |               |               |                   |
|                       | 2006 Revised               |               |                   | 2007 Estimate |               |                   | 2008 Forecast |               |                   |
|                       | USDA Official              | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New |
| Market Year Begin     |                            | 10-2006       |                   |               | 10-2007       |                   |               | 10-2008       | 10-2008           |
| Crush                 | 10742                      | 0             | 10742             | 10810         | 0             | 10200             | 0             | 0             | 10000             |
| Extr. Rate, 999.9999  | 0.423571                   | 0             | 0.423571          | 0.439408      | 0             | 0.423529          | 0             | 0             | 0.424             |
| Beginning Stocks      | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Production            | 4550                       | 3938          | 4550              | 4750          | 0             | 4320              | 0             | 0             | 4240              |
| MY Imports            | 0                          | 1             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| MY Imp. from U.S.     | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| MY Imp. from EU       | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Supply          | 4550                       | 3939          | 4550              | 4750          | 0             | 4320              | 0             | 0             | 4240              |
| MY Exports            | 40                         | 100           | 40                | 50            | 0             | 50                | 0             | 0             | 40                |
| MY Exp. to EU         | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Industrial Dom. Cons. | 145                        | 145           | 145               | 145           | 0             | 145               | 0             | 0             | 150               |
| Food Use Dom. Cons.   | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Feed Waste Dom. Cons. | 4365                       | 3694          | 4365              | 4555          | 0             | 4125              | 0             | 0             | 4050              |
| Total Dom. Cons.      | 4510                       | 3839          | 4510              | 4700          | 0             | 4270              | 0             | 0             | 4200              |
| Ending Stocks         | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Distribution    | 4550                       | 3939          | 4550              | 4750          | 0             | 4320              | 0             | 0             | 4240              |
| CY Imports            | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| CY Imp. from U.S.     | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| CY Exports            | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| CY Exp. to U.S.       | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |

## Oils PSD Tables

Table 15. Soybean Oil

| PSD Table             |                            |               |                   |               |               |                   |               |               |                   |
|-----------------------|----------------------------|---------------|-------------------|---------------|---------------|-------------------|---------------|---------------|-------------------|
| Country               | China, Peoples Republic of |               |                   |               |               |                   |               |               |                   |
| Commodity             | Oil, Soybean (1000 MT)     |               |                   |               |               |                   |               |               |                   |
|                       | 2006 Revised               |               |                   | 2007 Estimate |               |                   | 2008 Forecast |               |                   |
|                       | USDA Official              | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New |
| Market Year Begin     |                            | 10-2006       |                   |               | 10-2007       |                   |               | 10-2008       | 10-2008           |
| Crush                 | 35477                      | 0             | 35477             | 38100         | 0             | 38500             | 0             | 0             | 40800             |
| Extr. Rate, 999.9999  | 0.1787                     | 0             | 0.1787            | 0.17847       | 0             | 0.1787            | 0             | 0             | 0.1789            |
| Beginning Stocks      | 200                        | 0             | 200               | 250           | 0             | 250               | 210           | 0             | 180               |
| Production            | 6340                       | 0             | 6340              | 6800          | 0             | 6880              | 0             | 0             | 7300              |
| MY Imports            | 2404                       | 0             | 2404              | 3000          | 0             | 2800              | 0             | 0             | 3070              |
| MY Imp. from U.S.     | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| MY Imp. from EU       | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Supply          | 8944                       | 0             | 8944              | 10050         | 0             | 9930              | 210           | 0             | 10550             |
| MY Exports            | 94                         | 0             | 94                | 50            | 0             | 50                | 0             | 0             | 50                |
| MY Exp. to EU         | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Industrial Dom. Cons. | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Food Use Dom. Cons.   | 8600                       | 0             | 8600              | 9790          | 0             | 9700              | 0             | 0             | 10200             |
| Feed Waste Dom. Cons. | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Dom. Cons.      | 8600                       | 0             | 8600              | 9790          | 0             | 9700              | 0             | 0             | 10200             |
| Ending Stocks         | 250                        | 0             | 250               | 210           | 0             | 180               | 0             | 0             | 300               |
| Total Distribution    | 8944                       | 0             | 8944              | 10050         | 0             | 9930              | 0             | 0             | 10550             |
| CY Imports            | 1650                       | 0             | 230               | 1550          | 0             | 290               | 0             | 0             | 310               |
| CY Imp. from U.S.     | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| CY Exports            | 115                        | 0             | 90                | 140           | 0             | 60                | 0             | 0             | 50                |
| CY Exp. to U.S.       | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |



Table 16. Rapeseed Oil

| PSD Table             |                            |               |                   |               |               |                   |               |               |                   |
|-----------------------|----------------------------|---------------|-------------------|---------------|---------------|-------------------|---------------|---------------|-------------------|
| Country               | China, Peoples Republic of |               |                   |               |               |                   |               |               |                   |
| Commodity             | Oil, Rapeseed (1000 MT)    |               |                   |               |               |                   |               |               |                   |
|                       | 2006 Revised               |               |                   | 2007 Estimate |               |                   | 2008 Forecast |               |                   |
|                       | USDA Official              | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New |
| Market Year Begin     |                            | 10-2006       |                   |               | 10-2007       |                   |               | 10-2008       | 10-2008           |
| Crush                 | 12940                      | 0             | 12940             | 11550         | 0             | 10600             | 0             | 0             | 11300             |
| Extr. Rate, 999.9999  | 0.3563                     | 0             | 0.3563            | 0.3558        | 0             | 0.3566            | 0             | 0             | 0.3566            |
| Beginning Stocks      | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Production            | 4611                       | 0             | 4611              | 4110          | 0             | 3780              | 0             | 0             | 4030              |
| MY Imports            | 330                        | 0             | 330               | 400           | 0             | 500               | 0             | 0             | 600               |
| MY Imp. from U.S.     | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| MY Imp. from EU       | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Supply          | 4941                       | 0             | 4941              | 4510          | 0             | 4280              | 0             | 0             | 4630              |
| MY Exports            | 54                         | 0             | 54                | 10            | 0             | 10                | 0             | 0             | 5                 |
| MY Exp. to EU         | 30                         | 0             | 30                | 5             | 0             | 5                 | 0             | 0             | 0                 |
| Industrial Dom. Cons. | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Food Use Dom. Cons.   | 4887                       | 0             | 4887              | 4500          | 0             | 4270              | 0             | 0             | 4625              |
| Feed Waste Dom. Cons. | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Dom. Cons.      | 4887                       | 0             | 4887              | 4500          | 0             | 4270              | 0             | 0             | 4625              |
| Ending Stocks         | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Distribution    | 4941                       | 0             | 4941              | 4510          | 0             | 4280              | 0             | 0             | 4630              |
| CY Imports            | 375                        | 0             | 375               | 400           | 0             | 500               | 0             | 0             | 500               |
| CY Imp. from U.S.     | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| CY Exports            | 22                         | 0             | 22                | 10            | 0             | 9                 | 0             | 0             | 6                 |
| CY Exp. to U.S.       | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |

Table 17. Peanut Oil

| PSD Table             |                            |               |                   |               |               |                   |               |               |                   |
|-----------------------|----------------------------|---------------|-------------------|---------------|---------------|-------------------|---------------|---------------|-------------------|
| Country               | China, Peoples Republic of |               |                   |               |               |                   |               |               |                   |
| Commodity             | Oil, Peanut (1000 MT)      |               |                   |               |               |                   |               |               |                   |
|                       | 2006                       | Revised       |                   | 2007          | Estimate      |                   | 2008          | Forecast      |                   |
|                       | USDA Official              | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New |
| Market Year Begin     |                            | 10-2006       |                   |               | 10-2007       |                   |               | 10-2008       | 10-2008           |
| Crush                 | 7280                       | 0             | 7280              | 6950          | 0             | 7300              | 0             | 0             | 7650              |
| Extr. Rate, 999.9999  | 0.3138                     | 0             | 0.3138            | 0.31438       | 0             | 0.3136            | 0             | 0             | 0.3137            |
| Beginning Stocks      | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Production            | 2285                       | 0             | 2285              | 2185          | 0             | 2290              | 0             | 0             | 2400              |
| MY Imports            | 11                         | 0             | 11                | 0             | 0             | 10                | 0             | 0             | 11                |
| MY Imp. from U.S.     | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| MY Imp. from EU       | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Supply          | 2296                       | 0             | 2296              | 2185          | 0             | 2300              | 0             | 0             | 2411              |
| MY Exports            | 11                         | 0             | 11                | 10            | 0             | 10                | 0             | 0             | 10                |
| MY Exp. to EU         | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Industrial Dom. Cons. | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Food Use Dom. Cons.   | 2285                       | 0             | 2285              | 2175          | 0             | 2290              | 0             | 0             | 2401              |
| Feed Waste Dom. Cons. | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Dom. Cons.      | 2285                       | 0             | 2285              | 2175          | 0             | 2290              | 0             | 0             | 2401              |
| Ending Stocks         | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Distribution    | 2296                       | 0             | 2296              | 2185          | 0             | 2300              | 0             | 0             | 2411              |
| CY Imports            | 0                          | 0             | 10                | 0             | 0             | 10                | 0             | 0             | 11                |
| CY Imp. from U.S.     | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| CY Exports            | 15                         | 0             | 15                | 15            | 0             | 15                | 0             | 0             | 12                |
| CY Exp. to U.S.       | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |

Table 18. Palm Oil

| PSD Table             |                            |               |                   |               |               |                   |               |               |                   |
|-----------------------|----------------------------|---------------|-------------------|---------------|---------------|-------------------|---------------|---------------|-------------------|
| Country               | China, Peoples Republic of |               |                   |               |               |                   |               |               |                   |
| Commodity             | Oil, Palm (1000 MT)        |               |                   |               |               |                   |               |               |                   |
|                       | 2006 Revised               |               |                   | 2007 Estimate |               |                   | 2008 Forecast |               |                   |
|                       | USDA Official              | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New |
| Market Year Begin     |                            | 10-2006       |                   |               | 10-2007       |                   |               | 10-2008       | 10-2008           |
| Area Planted          | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Area Harvested        | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Trees                 | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Beginning Stocks      | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Production            | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| MY Imports            | 5139                       | 0             | 5139              | 5700          | 0             | 5700              | 0             | 0             | 5700              |
| MY Imp. from U.S.     | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| MY Imp. from EU       | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Supply          | 5139                       | 0             | 5139              | 5700          | 0             | 5700              | 0             | 0             | 5700              |
| MY Exports            | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| MY Exp. to EU         | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Industrial Dom. Cons. | 1950                       | 0             | 1950              | 2150          | 0             | 2150              | 0             | 0             | 2250              |
| Food Use Dom. Cons.   | 3189                       | 0             | 3189              | 3550          | 0             | 3550              | 0             | 0             | 3450              |
| Feed Waste Dom. Cons. | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Dom. Cons.      | 5139                       | 0             | 5139              | 5700          | 0             | 5700              | 0             | 0             | 5700              |
| Ending Stocks         | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Distribution    | 5139                       | 0             | 5139              | 5700          | 0             | 5700              | 0             | 0             | 5700              |
| CY Imports            | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| CY Imp. from U.S.     | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| CY Exports            | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| CY Exp. to U.S.       | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |

Table 19. Sunflower Seed Oil

| PSD Table             |                               |               |                   |               |               |                   |               |               |                   |
|-----------------------|-------------------------------|---------------|-------------------|---------------|---------------|-------------------|---------------|---------------|-------------------|
| Country               | China, Peoples Republic of    |               |                   |               |               |                   |               |               |                   |
| Commodity             | Oil, Sunflower Seed (1000 MT) |               |                   |               |               |                   |               |               |                   |
|                       | 2006 Revised                  |               |                   | 2007 Estimate |               |                   | 2008 Forecast |               |                   |
|                       | USDA Official                 | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New |
| Market Year Begin     |                               | 10-2006       |                   |               | 10-2007       |                   |               | 10-2008       | 10-2008           |
| Crush                 | 958                           | 0             | 958               | 842           | 0             | 840               | 0             | 0             | 942               |
| Extr. Rate, 999.9999  | 0.3580                        | 0             | 0.3580            | 0.3586        | 0             | 0.3571            | 0             | 0             | 0.3577            |
| Beginning Stocks      | 0                             | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Production            | 343                           | 0             | 343               | 302           | 0             | 300               | 0             | 0             | 337               |
| MY Imports            | 94                            | 0             | 94                | 15            | 0             | 80                | 0             | 0             | 50                |
| MY Imp. from U.S.     | 0                             | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| MY Imp. from EU       | 0                             | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Supply          | 437                           | 0             | 437               | 317           | 0             | 380               | 0             | 0             | 387               |
| MY Exports            | 94                            | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| MY Exp. to EU         | 0                             | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Industrial Dom. Cons. | 0                             | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Food Use Dom. Cons.   | 343                           | 0             | 437               | 317           | 0             | 380               | 0             | 0             | 387               |
| Feed Waste Dom. Cons. | 0                             | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Dom. Cons.      | 343                           | 0             | 437               | 317           | 0             | 380               | 0             | 0             | 387               |
| Ending Stocks         | 0                             | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Distribution    | 437                           | 0             | 437               | 317           | 0             | 380               | 0             | 0             | 387               |
| CY Imports            | 5                             | 0             | 5                 | 5             | 0             | 5                 | 0             | 0             | 0                 |
| CY Imp. from U.S.     | 0                             | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| CY Exports            | 0                             | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| CY Exp. to U.S.       | 0                             | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |

Table 20. Cottonseed Oil

| PSD Table             |                            |               |                   |               |               |                   |               |               |                   |
|-----------------------|----------------------------|---------------|-------------------|---------------|---------------|-------------------|---------------|---------------|-------------------|
| Country               | China, Peoples Republic of |               |                   |               |               |                   |               |               |                   |
| Commodity             | Oil, Cottonseed (1000 MT)  |               |                   |               |               |                   |               |               |                   |
|                       | 2006 Revised               |               |                   | 2007 Estimate |               |                   | 2008 Forecast |               |                   |
|                       | USDA Official              | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New |
| Market Year Begin     |                            | 10-2006       |                   |               | 10-2007       |                   |               | 10-2008       | 10-2008           |
| Crush                 | 10742                      | 0             | 10742             | 10810         | 0             | 10200             | 0             | 0             | 10000             |
| Extr. Rate, 999.9999  | 0.1419                     | 0             | 0.14196           | 0.1468        | 0             | 0.1421            | 0             | 0             | 0.1405            |
| Beginning Stocks      | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Production            | 1525                       | 0             | 1525              | 1587          | 0             | 1450              | 0             | 0             | 1405              |
| MY Imports            | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| MY Imp. from U.S.     | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| MY Imp. from EU       | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Supply          | 1525                       | 0             | 1525              | 1587          | 0             | 1450              | 0             | 0             | 1405              |
| MY Exports            | 11                         | 0             | 11                | 10            | 0             | 10                | 0             | 0             | 10                |
| MY Exp. to EU         | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Industrial Dom. Cons. | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Food Use Dom. Cons.   | 1514                       | 0             | 1514              | 1577          | 0             | 1440              | 0             | 0             | 1395              |
| Feed Waste Dom. Cons. | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Dom. Cons.      | 1514                       | 0             | 1514              | 1577          | 0             | 1440              | 0             | 0             | 1395              |
| Ending Stocks         | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Distribution    | 1525                       | 0             | 1525              | 1587          | 0             | 1450              | 0             | 0             | 1405              |
| CY Imports            | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| CY Imp. from U.S.     | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| CY Exports            | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| CY Exp. to U.S.       | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |

Table 21. Coconut Oil

| PSD Table             |                            |               |                   |               |               |                   |               |               |                   |
|-----------------------|----------------------------|---------------|-------------------|---------------|---------------|-------------------|---------------|---------------|-------------------|
| Country               | China, Peoples Republic of |               |                   |               |               |                   |               |               |                   |
| Commodity             | Oil, Coconut (1000 MT)     |               |                   |               |               |                   |               |               |                   |
|                       | 2006 Revised               |               |                   | 2007 Estimate |               |                   | 2008 Forecast |               |                   |
|                       | USDA Official              | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New |
| Market Year Begin     |                            | 10-2006       |                   |               | 10-2007       |                   |               | 10-2008       | 10-2008           |
| Crush                 | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Extr. Rate, 999.9999  | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Beginning Stocks      | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Production            | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| MY Imports            | 133                        | 0             | 133               | 150           | 0             | 140               | 0             | 0             | 145               |
| MY Imp. from U.S.     | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| MY Imp. from EU       | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Supply          | 133                        | 0             | 133               | 150           | 0             | 140               | 0             | 0             | 145               |
| MY Exports            | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| MY Exp. to EU         | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Industrial Dom. Cons. | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Food Use Dom. Cons.   | 133                        | 0             | 133               | 150           | 0             | 140               | 0             | 0             | 145               |
| Feed Waste Dom. Cons. | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Dom. Cons.      | 133                        | 0             | 133               | 150           | 0             | 140               | 0             | 0             | 145               |
| Ending Stocks         | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| Total Distribution    | 133                        | 0             | 133               | 150           | 0             | 140               | 0             | 0             | 145               |
| CY Imports            | 135                        | 0             | 135               | 135           | 0             | 135               | 0             | 0             | 0                 |
| CY Imp. from U.S.     | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| CY Exports            | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |
| CY Exp. to U.S.       | 0                          | 0             | 0                 | 0             | 0             | 0                 | 0             | 0             | 0                 |

## Soybean &amp; Rapeseed Wholesale Price Tables

Table 22. Wholesale Soybean Prices CY2007

| Unit: RMB Yuan/MT: RMB7.50=US\$1.00 |       |       |       |       |       |       |       |      |      |       |       |       |
|-------------------------------------|-------|-------|-------|-------|-------|-------|-------|------|------|-------|-------|-------|
| Provinces                           | Jan   | Feb   | Mar   | Apr   | May   | Jun   | Jul   | Aug  | Sep  | Oct   | Nov   | Dec   |
| Tianjin                             | 2,863 | 2,985 | 3,143 | 3,129 | 3,174 | 3,240 | 3,270 | 3549 | 3612 | 3,860 | 4,340 | 4,446 |
| Hebei                               | 2,677 | 2,782 | 2,949 | 2,985 | 2,991 | 3,060 | 3,100 | 3315 | 3590 | 3,860 | 4,350 | 4,440 |
| Jilin                               | 2,620 | 2,745 | 2,923 | 2,952 | 2,981 | 3,060 | 3,090 | 3257 | 3504 | 3,810 | 4,280 | 4,392 |
| Heilongjiang                        | 2,563 | 2,704 | 2,877 | 2,903 | 2,859 | 2,970 | 2,998 | 3281 | 3449 | 3,764 | 4,183 | 4,300 |
| Shanghai                            | 2,868 | 2,993 | 3,117 | 3,111 | 3,174 | 3,240 | 3,283 | 3543 | 3810 | 4,083 | 4,530 | 4,638 |
| Jiangsu                             | 2,873 | 2,993 | 3,117 | 3,112 | 3,174 | 3,240 | 3,276 | 3542 | 3810 | 4,083 | 4,530 | 4,638 |
| Jiangxi                             | 2,963 | 3,093 | 3,217 | 3,211 | 3,194 | 3,270 | 3,290 | 3540 | 3790 | 4,120 | 4,570 | 4,650 |
| Shandong                            | 2,869 | 2,985 | 3,117 | 3,111 | 3,059 | 3,240 | 3,270 | 3534 | 3634 | 3,867 | 4,370 | 4,528 |
| Henan                               | 2,717 | 2,820 | 2,995 | 3,031 | 3,034 | 3,100 | 3,140 | 3522 | 3634 | 3,867 | 4,340 | 4,488 |
| Guangdong                           | 2,863 | 2,993 | 3,117 | 3,111 | 3,171 | 3,240 | 3,270 | 3382 | 3804 | 4,077 | 4,530 | 4,638 |
| Average                             | 2,788 | 2,909 | 3,057 | 3,066 | 3,081 | 3166  | 3,199 | 3447 | 3664 | 3,939 | 4,402 | 4,516 |
| Jan-Dec Change= +62%                |       |       |       |       |       |       |       |      |      |       |       |       |

Table 23. Wholesale Soybean Meal Prices in CY2007

| Unit: RMB Yuan/MT: RMB7.50=US\$1.00 |      |      |      |      |      |      |      |      |      |      |      |      |
|-------------------------------------|------|------|------|------|------|------|------|------|------|------|------|------|
| Provinces                           | Jan  | Feb  | Mar  | Apr  | May  | Jun  | Jul  | Aug  | Sep  | Oct  | Nov  | Dec  |
| Beijing                             | 2166 | 2321 | 2458 | 2321 | 2372 | 2312 | 2468 | 2740 | 3218 | 3383 | 3726 | 3733 |
| Jinlin                              | 2130 | 2254 | 2425 | 2365 | 2368 | 2360 | 2438 | 2773 | 3154 | 3367 | 3774 | 3683 |
| Heilongjiang                        | 1930 | 2046 | 2276 | 2214 | 2303 | 2303 | 2358 | 2707 | 3035 | 3239 | 3644 | 3602 |
| Shanghai                            | 2235 | 2387 | 2511 | 2336 | 2380 | 2334 | 2493 | 2736 | 3212 | 3403 | 3690 | 3738 |
| Jiangsu                             | 2200 | 2345 | 2481 | 2311 | 2351 | 2296 | 2458 | 2725 | 3220 | 3423 | 3686 | 3725 |
| Fujian                              | 2233 | 2421 | 2494 | 2339 | 2380 | 2310 | 2460 | 2702 | 3210 | 3380 | 3696 | 3763 |
| Jiangxi                             | 2260 | 2405 | 2541 | 2371 | 2390 | 2340 | 2480 | 2500 | 3200 | 3400 | 3780 | 3750 |
| Shandong                            | 2239 | 2409 | 2496 | 2327 | 2377 | 2331 | 2474 | 2751 | 3237 | 3417 | 3769 | 3730 |
| Henan                               | 2250 | 2409 | 2525 | 2392 | 2412 | 2359 | 2538 | 2792 | 3274 | 3437 | 3768 | 3813 |
| Guangdong                           | 2175 | 2338 | 2472 | 2330 | 2374 | 2292 | 2475 | 2699 | 3210 | 3397 | 3670 | 3656 |
| Guangxi                             | 2270 | 2460 | 2620 | 2356 | 2426 | 2328 | 2515 | 2742 | 3240 | 3417 | 3696 | 3775 |
| Average                             | 2190 | 2345 | 2482 | 2333 | 2376 | 2324 | 2469 | 2715 | 3201 | 3388 | 3718 | 3724 |
| Jan-Dec Change= +70%                |      |      |      |      |      |      |      |      |      |      |      |      |

Table 24. Wholesale Soybean Oil Prices in CY2007

| Unit: RMB Yuan/MT: RMB7.50=US\$1.00 |      |      |      |      |      |      |      |      |      |       |        |        |
|-------------------------------------|------|------|------|------|------|------|------|------|------|-------|--------|--------|
| Provinces                           | Jan  | Feb  | Mar  | Apr  | May  | Jun  | Jul  | Aug  | Sep  | Oct   | Nov    | Dec    |
| Tianjin                             | 7247 | 7168 | 6970 | 7293 | 7728 | 8030 | 8025 | 8472 | 8450 | 8,833 | 9,920  | 10,500 |
| Hebei                               | 7220 | 7134 | 7005 | 7285 | 7703 | 8030 | 8088 | 8533 | 8450 | 8,867 | 9,950  | 10,513 |
| Jilin                               | 6998 | 7143 | 7132 | 7332 | 7703 | 8270 | 8150 | 9002 | 8560 | 8,967 | 10,040 | 10,550 |
| Heilongjiang                        | 6690 | 6840 | 6873 | 7134 | 7663 | 8287 | 8100 | 9376 | 8760 | 9,167 | 10,093 | 10,183 |
| Shanghai                            | 7336 | 7179 | 6923 | 7239 | 7750 | 8030 | 8213 | 8625 | 8430 | 8,767 | 9,790  | 10,500 |
| Jiangsu                             | 7326 | 7169 | 6919 | 7252 | 7750 | 8030 | 8213 | 8625 | 8430 | 8,767 | 9,910  | 10,538 |
| Jiangxi                             | 7372 | 7137 | 6824 | 7176 | 7800 | 8080 | 8270 | 8650 | 8450 | 8,900 | 10,080 | 10,550 |
| Shandong                            | 7312 | 7172 | 6893 | 7253 | 7733 | 7970 | 8175 | 8539 | 8490 | 8,900 | 9,950  | 10,569 |
| Henan                               | 7340 | 7300 | 7105 | 7307 | 7758 | 8120 | 8213 | 8591 | 8500 | 8,883 | 9,930  | 10,550 |
| Guangdong                           | 7272 | 7037 | 6724 | 7076 | 7650 | 7990 | 8044 | 8448 | 8300 | 8,750 | 9,700  | 10,294 |
| Average                             | 7211 | 7128 | 6937 | 7235 | 7727 | 8084 | 8149 | 8686 | 8482 | 8,880 | 9,936  | 10,475 |
| Jan-Dec Change = +45%               |      |      |      |      |      |      |      |      |      |       |        |        |

Source: China National Grains &amp; Oils Information Center, Beijing

**Table 25. Wholesale Rapeseed Oil Prices in CY2007**

| Unit: RMB Yuan/MT: RMB7.50=US\$1.00 |       |       |       |       |       |       |       |      |      |       |        |        |
|-------------------------------------|-------|-------|-------|-------|-------|-------|-------|------|------|-------|--------|--------|
| Provinces                           | Jan   | Feb   | Mar   | Apr   | May   | Jun   | Jul   | Aug  | Sep  | Oct   | Nov    | Dec    |
| Jiangsu                             | 7,755 | 7,650 | 7,432 | 7,512 | 7,925 | 8,700 | 8,625 | 9076 | 9010 | 9,117 | 10,300 | 10,963 |
| Zhejiang                            | 7,825 | 7,780 | 7,552 | 7,598 | 8,019 | 8,800 | 8,738 | 9137 | 9120 | 9,217 | 10,320 | 10,975 |
| Anhui                               | 7,818 | 7,710 | 7,511 | 7,529 | 7,978 | 8,860 | 8,675 | 9187 | 9080 | 9,183 | 10,360 | 11,075 |
| Jiangxi                             | 7,853 | 7,783 | 7,494 | 7,492 | 8,014 | 8,790 | 8,625 | 9104 | 8920 | 9,067 | 10,240 | 10,875 |
| Hubei                               | 7,788 | 7,703 | 7,496 | 7,519 | 7,993 | 8,745 | 8,563 | 9082 | 8950 | 9,092 | 10,310 | 10,925 |
| Hunan                               | 7,823 | 7,780 | 7,534 | 7,543 | 8,039 | 8,810 | 8,650 | 9185 | 9080 | 9,250 | 10,290 | 10,963 |
| Sichuan                             | 8,025 | 7,997 | 7,775 | 7,657 | 8,250 | 9,540 | 9,225 | 9778 | 9620 | 9,667 | 10,920 | 11,675 |
| Average                             | 7,841 | 7,772 | 7,542 | 7,550 | 8,031 | 8,892 | 8,729 | 9221 | 9111 | 9,228 | 10,391 | 11,064 |
| Jan-Dec Change = +41%               |       |       |       |       |       |       |       |      |      |       |        |        |

**Table 26. Wholesales Palm Oil Ex-Pier Prices CY 2007**

| Unit: RMB Yuan/MT: RMB7.50=US\$1.00 |      |      |      |      |      |      |      |      |      |      |      |      |
|-------------------------------------|------|------|------|------|------|------|------|------|------|------|------|------|
| Province<br>s                       | Jan  | Feb  | Mar  | Apr  | May  | Jun  | Jul  | Aug  | Sep  | Oct  | Nov  | Dec  |
| Tianjin                             | 5949 | 5841 | 5954 | 6611 | 7477 | 7620 | 7833 | 8063 | 7860 | 8167 | 8896 | 8863 |
| Qingdao                             | 5949 | 5826 | 5945 | 6597 | 7496 | 7660 | 7808 | 8175 | 7926 | 8217 | 8890 | 8900 |
| liangyun<br>gang                    | 5921 | 5837 | 5941 | 6584 | 7492 | 7706 | 7823 | 8164 | 7960 | 8200 | 8820 | 8800 |
| Zhangjia<br>gang                    | 5823 | 5781 | 5921 | 6562 | 7445 | 7710 | 7820 | 8050 | 7930 | 8200 | 8820 | 8793 |
| Shanghai                            | 5828 | 5786 | 5926 | 6567 | 7450 | 7720 | 7850 | 8040 | 7920 | 8200 | 8830 | 8800 |
| Ningbo                              | 5885 | 5837 | 5948 | 6590 | 7519 | 7790 | 7893 | 8171 | 8050 | 8233 | 8870 | 8868 |
| Huangpu                             | 5762 | 5727 | 5873 | 6587 | 7478 | 7620 | 7713 | 8043 | 7800 | 8133 | 8680 | 8543 |
| Shenzhen                            | 5767 | 5732 | 5878 | 6592 | 7480 | 7625 | 7715 | 8050 | 7820 | 8130 | 8700 | 8550 |
| Average                             | 5861 | 5796 | 5923 | 6586 | 7479 | 7681 | 7806 | 8095 | 7908 | 8185 | 8813 | 8765 |
| Jan-Dec Change = +50%               |      |      |      |      |      |      |      |      |      |      |      |      |

**Table 27. Comparison of Wholesale Prices for Soy, Palm & Rapeseed Oil in CY 2007**

| Oils               | Jan   | Feb   | Mar   | Apr   | May   | Jun   | Jul   | Aug   | Sep   | Oct   | Nov    | Dec    |
|--------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|--------|
| Rapeseed           | 7,841 | 7,772 | 7,542 | 7,550 | 8,031 | 8,892 | 8,729 | 9,221 | 9,111 | 9,228 | 10,391 | 11,064 |
| Palm               | 5,861 | 5,796 | 5,923 | 6,586 | 7,479 | 7,681 | 7,806 | 8,095 | 7,908 | 8,185 | 8,813  | 8,765  |
| Soy                | 7,211 | 7,128 | 6,937 | 7,235 | 7,727 | 8,084 | 8,149 | 8,686 | 8,482 | 8,880 | 9,936  | 10,475 |
| Diff %<br>Rape/Soy | 8.7%  | 9.0%  | 8.7%  | 4.4%  | 3.9%  | 10.0% | 7.1%  | 6.2%  | 7.4%  | 3.9%  | 4.6%   | 5.6%   |
| Diff %<br>Palm/Soy | -23%  | -23%  | -17%  | -10%  | -3%   | -5%   | -4%   | -7%   | -7%   | -8%   | -13%   | -20%   |

Source: China National Grains &amp; Oils Information Center, Beijing



## Taxes &amp; Duties Tables (Jan 01-Dec 31, 2008)

Table 28. Oilseeds

| HS Code  | Description                            | M.F.N.(%) | CT(%) |      |     | V.A.T.(%) |
|----------|--|-----------|-------|------|-----|-----------|
|          |  |           | CA    | CP   | CC  |           |
| Seed     |  |           |       |      |     |           |
| 12010010 | Soybeans, seed                         | 0         |       |      |     | 13        |
| 12010091 | Yellow soybean                         | 3*        |       | 0    | 2.1 | 13        |
| 12010092 | Black soybean                          | 3         |       | 0    | 0   | 13        |
| 12010093 | Green soybean                          | 3         |       | 0    | 0   | 13        |
| 12010099 | Other soybean                          | 3         |       | 0    | 0   | 13        |
| 12021010 | In shell peanut, seed                  | 0         |       |      |     | 13        |
| 12021090 | In shell peanut, other                 | 15        | 8     | 14.1 | 6   | 13        |
| 12022000 | Shelled peanut                         | 15        | 8     | 14.1 | 0   | 13        |
| 20081110 | Peanut kernels, in airtight containers | 30        | T3    |      | 0   | 17        |
| 20081120 | Roasted peanuts                        | 30        | T3    |      | 0   | 17        |
| 20081130 | Peanut butter                          | 30        | T3    |      | 0   | 17        |
| 20081190 | Other processed peanuts                | 30        | T3    |      | 0   | 17        |
| 12051010 | Low erucic acid rape seed, seed        | 0         |       |      |     | 13        |
| 12051090 | Low erucic acid rape seed, other       | 9         | 5     | 0    | 6.3 | 13        |
| 12059010 | Other rapeseed, seed                   | 0         |       |      |     | 13        |
| 12059090 | Other rapeseed, other                  | 9         | 5     | 0    | 6.3 | 13        |
| 12060010 | Sunflower seeds, seed                  | 0         |       |      |     | 13        |
| 12060090 | Sunflower seeds, other                 | 15        | 8     | 14.1 | 11  | 13        |
| 12072010 | Cottonseeds for cultivation            | 0         |       |      |     | 13        |
| 12072090 | Cottonseeds, other                     | 15        | 8     | 14.1 | 6   | 13        |
| 12074010 | Sesame seeds for cultivation           | 0         |       |      |     | 13        |
| 12074090 | Sesame seeds, other                    | 10        | T3    | 9    | 0   | 13        |

Note: CA--China/Association of Southeast Asia; CP--China/Pakistan; CC--China/Chile; T3--Various Tax Rates Applied on ASEAN Ten Countries, Respectively. \* According to China's government, soybean import duty stands at 1% up to March 31, 2008.

Table 29. Oils

| HS Code  | Description                             | M.F.N.(%) | CT(%) |     |    | V.A.T.(%) |
|----------|---|-----------|-------|-----|----|-----------|
|          |   |           | CA    | CP  | CC |           |
| 15071000 | Crude soybean oil                       | 9         |       |     |    | 13        |
| 15079000 | Other soybean oil                       | 9         |       |     |    | 13        |
| 15081000 | Crude peanut oil                        | 10        | 8     |     |    | 13        |
| 15089000 | Other peanut oil                        | 10        | 8     |     |    | 13        |
| 15091000 | Olive Oil, virgin                       | 10        | T3    |     | 7  | 13        |
| 15099000 | Olive oil, other                        | 10        | 8     |     | 7  | 17        |
| 15111000 | Palm oil, crude                         | 9         |       |     |    | 13        |
| 15119010 | Palm oil, liquid                        | 9         |       |     |    | 13        |
| 15119020 | Stearin                                 | 8         |       |     |    | 13        |
| 15119090 | Palm oil, other                         | 9         |       |     |    | 17        |
| 15121100 | Crude sunflower seed oil                | 9         | 5     |     |    | 13        |
| 15121900 | Other sunflower seed oil                | 9         | 5     |     |    | 17        |
| 15122100 | Crude cottonseed oil                    | 10        | 8     |     |    | 13        |
| 15122900 | Other cottonseed oil                    | 10        | 8     |     |    | 17        |
| 15131100 | Crude coconut oil                       | 9         | T3    | 4.5 | 0  | 13        |
| 15131900 | Other coconut oil                       | 9         | T3    | 4.5 | 0  | 13        |
| 15132100 | Crude palm kernel oil                   | 9         | T3    |     | 0  | 13        |
| 15132900 | Other palm kernel oil                   | 9         | T3    |     | 0  | 17        |
| 15141100 | Crude low erucic acid rape or colza oil | 9         |       |     |    | 13        |
| 15141900 | Other crude low erucic acid rape oil    | 9         |       |     |    | 13        |
| 15149110 | Crude rape or colza oil                 | 9         |       |     |    | 13        |
| 15149190 | Crude mustard oil                       | 9         |       |     |    | 13        |
| 15149900 | Other rape oil                          | 9         |       |     |    | 17        |

Note: CA--China/Association of Southeast Asia; CP--China/Pakistan; CC--China/Chile; T3--Various Tax Rates Applied on ASEAN Ten Countries, Respectively.

Table 30. Meals

| HS Code  | Description                   | M.F.N. (%) | CT(%) |      |     | V.A.T. (%) |
|----------|-------------------------------|------------|-------|------|-----|------------|
|          |                               |            | CA    | CP   | CC  |            |
| Meal     |                               |            |       |      |     |            |
| 12081000 | Soyflour                      | 9          | 5     | 7.7  | 0   | 17         |
| 12089000 | Other                         | 15         | 8     | 14.1 | 6   | 17         |
| 23012010 | Fish meal                     | 2          |       | 0    | 1.4 | 13         |
| 23025000 | Legume sweepings              | 5          |       | 2.5  | 0   | 13         |
| 23040010 | Soy meal, oil cake            | 5          |       | 0    | 3.5 | 13         |
| 23040090 | Soy meal, other               | 5          |       | 0    | 0   | 13         |
| 23050000 | Peanut meal                   | 5          |       | 2.5  | 0   | 13         |
| 23061000 | Cottonseed meal               | 5          |       | 2.5  | 0   | 13         |
| 23063000 | Sunflower seed meal           | 5          |       | 2.5  | 0   | 13         |
| 23064100 | Low erucic acid rapeseed meal | 5          |       | 2.5  | 0   | 13         |
| 23064900 | Other rapeseed meal           | 5          |       | 2.5  | 0   | 13         |

Note: CA--China/Association of Southeast Asia; CP--China/Pakistan; CC--China/Chile; T3--Various Tax Rates Applied on ASEAN Ten Countries, Respectively.